

By Mr. STEENERSON: A bill (H. R. 7936) authorizing the Postmaster General to lease premises for post offices where the building is constructed upon plans approved by him for a term not exceeding 20 years; to the Committee on the Post Office and Post Roads.

By Mr. DEITRICK: A bill (H. R. 7937) for the acquisition of a site and the erection thereon of a public building at Medford, Mass.; to the Committee on Public Buildings and Grounds.

By Mr. RUCKER: A bill (H. R. 7938) to codify, revise, and amend the laws relating to publicity of contributions and expenditures made for the purpose of influencing the nomination and election of candidates for the offices of Representative and Senator in the Congress of the United States, limiting the amount of campaign expenses, and for other purposes; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. PEPPER: A bill (H. R. 7939) providing for the labeling, marking, and tagging of all fabrics and leather goods hereinafter designated and providing for the fumigation of the same; to the Committee on Interstate and Foreign Commerce.

By Mr. CHURCH: A bill (H. R. 7940) to provide for enlarging the United States building at Fresno, Cal.; to the Committee on Public Buildings and Grounds.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADAIR: A bill (H. R. 7941) granting a pension to Ernest Miller; to the Committee on Pensions.

By Mr. CULLOP: A bill (H. R. 7942) granting a pension to Jacob B. S. Rice; to the Committee on Pensions.

By Mr. DILLON: A bill (H. R. 7943) granting an increase of pension to Archibald Branaugh; to the Committee on Invalid Pensions.

By Mr. FESS: A bill (H. R. 7944) granting a pension to Jefferson L. Wylie; to the Committee on Invalid Pensions.

By Mr. FARR: A bill (H. R. 7945) granting an increase of pension to Armina Miller; to the Committee on Invalid Pensions.

By Mr. HELM: A bill (H. R. 7946) granting a pension to Ann E. Fish; to the Committee on Pensions.

By Mr. PETERSON: A bill (H. R. 7947) granting an increase of pension to John B. Swoap; to the Committee on Invalid Pensions.

By Mr. J. M. C. SMITH: A bill (H. R. 7948) granting an increase of pension to Franklin W. Dickey; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. CARY: Petition of the Wisconsin State Federation of Labor, Milwaukee, Wis., protesting against the passage of the workmen's compensation bill (S. 959); to the Committee on the Judiciary.

By Mr. ROGERS: Petition of the American Free Art League, Boston, Mass., protesting against the placing of a tariff on art and artistic antiquities; to the Committee on Ways and Means.

By Mr. J. M. C. SMITH: Papers to accompany bill granting a pension to Franklin W. Dickey; to the Committee on Invalid Pensions.

SENATE.

SATURDAY, September 6, 1913.

The Senate met at 10 o'clock a. m.

Prayer by the Chaplain, Rev. Forrest J. Prettyman, D. D.

The Journal of yesterday's proceedings was read and approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed the concurrent resolution of the Senate (S. Con. Res. 5) providing for the printing and binding, with illustrations, of 16,500 copies of the proceedings in Congress and at the unveiling in the Statuary Hall of the statue of Zachariah Chandler.

COTTON CONTRACTS.

Mr. SMITH of Georgia. I desire to present two short telegrams that I have received with reference to a matter contained in the tariff bill. I should like to have them read. They are brief.

There being no objection, the telegrams were read and ordered to lie on the table, as follows:

HAWKINSVILLE, GA., September 5, 1913.

Hon. HOKE SMITH,
United States Senate, Washington, D. C.:

We, the undersigned merchants and farmers of Pulaski County, protest against passage of Clarke rider bill, and respectfully ask that you use every effort to prevent said passage.

E. J. Henry, D. R. Pearce, H. H. Sparrow, J. J. Pollock, J. D. Humphreys, T. R. Wilcox, J. T. Coleman, F. L. Royal, E. M. Coleman, T. B. Ragan, W. C. Merritt, J. R. Rogers, E. P. Walters, C. I. Anderson, M. H. Boyer, A. W. Lowry, J. B. Glover, J. K. Livingston, A. A. Smith, N. F. Powell, W. W. Wynne, E. F. Way, C. T. Smith, E. T. Pate, L. R. Langford, Mack D. Ferris, R. A. Anderson.

FORT GAINES, GA., September 5, 1913.

Hon. HOKE SMITH,
United States Senate, Washington, D. C.:

We respectfully urge you to have action on Clarke cotton-exchange bill deferred until cotton-selling season is past. The spinners would take advantage of the farmers who have to sell now and adopt a hand-to-mouth policy. To pass bill after Christmas would give country time to adjust before another selling season.

E. R. King, B. T. Castilo, E. W. Killingsworth, M. C. Gay, R. E. Peterson, J. R. Simpson, H. M. Shaw, R. L. Shaw, Emmett R. Shaw.

MEMORIAL.

Mr. PERKINS presented a memorial of the California State Board of Viticultural Commissioners, remonstrating against the imposition of the proposed tax of \$1.10 per gallon on brandy used for fortifying sweet wines, which was ordered to lie on the table.

MOSES HARRIS.

Mr. CHAMBERLAIN, from the Committee on Military Affairs, to which was referred the bill (S. 2600) for the relief of Moses Harris, asked to be discharged from its further consideration and that it be referred to the Committee on Claims, which was agreed to.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PENROSE:

A bill (S. 3092) granting an increase of pension to Timothy D. Gallagher (with accompanying paper); to the Committee on Pensions.

By Mr. CHAMBERLAIN:

A bill (S. 3093) granting a pension to Adelaide W. Wheeler; to the Committee on Pensions.

By Mr. O'GORMAN:

A bill (S. 3094) to promote the safety of passengers and others upon railroads by compelling common carriers engaged in interstate commerce to use cars constructed of steel, and for other purposes; to the Committee on Interstate Commerce.

By Mr. BRADLEY:

A bill (S. 3095) for the relief of Oldham County, Ky.; to the Committee on Claims.

By Mr. SHIVELY:

A bill (S. 3096) granting an increase of pension to William H. Sherry; to the Committee on Pensions.

ENDOWMENT OF AGRICULTURAL COLLEGES.

Mr. SMITH of Georgia. I introduce a bill to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of the act of Congress approved July 2, 1862, and of acts supplementary thereto, and the United States Department of Agriculture.

In connection with the introduction of the bill I wish only to say that the subject matter covers the same subject as a bill which passed the House at the last session and which was considered by the Senate. The new bill is the result of conferences between the Secretary of Agriculture, Congressman LEVER, and myself, and the executive committee of the colleges of agriculture, its object being to bring more completely into harmony the Department of Agriculture and the colleges for agricultural extension for performing demonstration work.

The bill (S. 3091) to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the United States Department of Agriculture was read twice by its title and referred to the Committee on Agriculture and Forestry.

AMENDMENT TO THE TARIFF BILL.

Mr. JONES. On yesterday I offered an amendment, by request, intended to be proposed to the pending tariff bill, and asked that it be referred to the Committee on Finance. I notice that the amendment was ordered to lie on the table. I

move that it be taken from the table and referred to the Committee on Finance.

The VICE PRESIDENT. That order will be made.

IMPORTS AND EXPORTS (S. DOC. NO. 180).

Mr. BRISTOW. Some days ago I asked to have printed as a public document tables that were collected by the junior Senator from North Dakota [Mr. GRONNA] on the imports and exports of the agricultural productions of the country. I renew that request and ask unanimous consent that the tables may be printed as a public document.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

COMMISSION ON THE YAKIMA RECLAMATION PROJECT, ETC.

Mr. ROBINSON. I introduce a joint resolution and ask unanimous consent for its consideration.

The joint resolution (S. J. Res. 63) authorizing the Secretary of the Senate and the Clerk of the House of Representatives to advance to the chairman of the commission appointed under the act approved June 30, 1913, such sums of money as may be necessary for the carrying on of the work of the commission, and so forth, was read the first time by its title and the second time at length, as follows:

Resolved, etc., That to enable the commission appointed under section 23 of the act "Making appropriations for the current and contingent expenses of the Bureau of Indian Affairs for the fiscal year ending June 30, 1914," approved June 30, 1913, to make the investigation ordered in said section, in the States of Washington and New Mexico, that the Secretary of the Senate and the Clerk of the House of Representatives be, and they are hereby, authorized to advance to the chairman of said commission such sums as may be necessary to pay witnesses, stenographers at not exceeding \$1 per printed page, and for clerical assistance, and the traveling expenses of the commission incident to said investigation from the contingent fund of the Senate and House of Representatives; itemized vouchers for all such expenditures on the part of the Senate to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate, and those on the part of the House of Representatives by the Committee on Accounts of the House of Representatives.

The VICE PRESIDENT. The joint resolution will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. ROBINSON. I ask unanimous consent for its present consideration.

The VICE PRESIDENT. Under the statute of the United States the joint resolution must go to the committee.

Mr. GALLINGER. I suggest that it should be a concurrent resolution instead of a joint resolution.

The VICE PRESIDENT. There is a statute of the United States which requires all such resolutions to be first presented to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. ROBINSON. Very well, if objection is made—

The VICE PRESIDENT. It is not a question of objection. It is a question of complying with the law. It will go to the committee.

Mr. GALLINGER. I will suggest that it should be a concurrent resolution instead of a joint resolution. I think the Senator from Arkansas will agree to that change.

Mr. ROBINSON. A reference to the Committee to Audit and Control the Contingent Expenses of the Senate is, in my opinion, not imperative. The authority already exists for the expenditure, and it is the sole purpose of the joint resolution to obviate the inconvenience which will inevitably arise if the commission is to discharge its duties under the provision of law as it now exists without the right being granted to the disbursing officers of the House and Senate to make the advances.

The authority of law for the expenditure, I will say, is contained in the Indian appropriation act, and it is not contemplated by the joint resolution that that authority shall be increased or extended.

The sole purpose of the joint resolution is to prevent the commission from having to advance its own expenses. The joint resolution authorizes the Secretary of the Senate and the Clerk of the House of Representatives to advance such moneys to the commission, requiring that itemized vouchers shall be taken and filed and audited by the committee afterwards.

Further, Mr. President, the Senator from New Hampshire suggested that this should be a concurrent resolution. I do not want that. The resolution has been prepared by a disbursing officer who has been in the service of the Senate of the United States for 46 years, and he informs me that it is necessary that it shall be a joint resolution. For that reason, unless the Senator from New Hampshire can assign some particular reason for wanting to make it a concurrent resolution, I shall insist upon it as a joint resolution.

Mr. GALLINGER. I withdraw that suggestion. I will say to the Senator, if he will permit me, that I did not object to the

resolution at all. I merely made the suggestion, and that I very gladly withdraw.

Mr. ROBINSON. That was my understanding. Now I ask that the order referring the joint resolution to the committee be rescinded and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The Chair can not change the ruling of the Chair. This is the plain provision of the law:

Hereafter no payment shall be made from the contingent fund of the Senate—

That is what this calls for—

unless sanctioned by the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. ROBINSON. Mr. President, if you will hear me for a moment, the expenditure has already been authorized by law. I will read it to you.

The VICE PRESIDENT. The language of the law is clear, and the Chair rules that the joint resolution must go to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. ROBINSON. I hope the Chair will not grow impatient with me for calling attention to the fact that a law has already been passed authorizing this expenditure and that the rule does not apply. I submit, if the Chair will look at the statutes he will see that his ruling is erroneous, and that he will not adhere to it and will permit the matter to be considered now.

Mr. SMOOT. Will the Senator from Arkansas yield to me?

Mr. ROBINSON. Yes, sir; I yield.

Mr. SMOOT. In noticing the resolution I think the Chair is clearly right in his ruling because the law as it passed made appropriations for current and contingent expenses of the Bureau of Indian Affairs. The Senator by this resolution wants to have a part of the money paid from the contingent expenses of the Senate. The law says it shall be paid from the contingent expenses of the Bureau of Indian Affairs.

Mr. ROBINSON. Oh, no, Mr. President; here is the law.

Provided, That one-half of all necessary expenses incident to and in connection with the making of the investigation herein provided for, including traveling expenses of the members of the commission, shall be paid from the contingent fund of the House of Representatives and one-half from the contingent fund of the Senate on vouchers therefor signed by the chairman of the said commission, who shall be designated by the members of the said commission.

The language is just as plain as can be. This expense is already provided for by the statute, and is to be paid in equal amounts from the contingent fund of the House and Senate. It does not make any additional charge on either of those funds, but it is intended to relieve the commission, as I have already stated, from the necessity of having to advance its own expenses and the expenses of witnesses necessary for the investigation. The joint resolution does not add any charge; it does not require any additional appropriation or authorization.

The VICE PRESIDENT. But let the Chair state to the Senator from Arkansas, suppose the Committee to Audit and Control the Contingent Expenses of the Senate—a baseless supposition—should not willingly advance the money, but prefer to pay after the services were rendered?

Mr. CLARK of Wyoming. I ask the Senator from Arkansas, if the position which the Senator now takes is a correct one, what is the necessity of the resolution now presented?

Mr. ROBINSON. The necessity for it is to authorize an advance to be made.

Mr. CLARK of Wyoming. But, if the Senator's position is right, the law has already provided for that.

Mr. ROBINSON. No; the expense is authorized under the statute, but no advance of any sum can be made. I call attention to a statute of the United States—

Mr. CLARK of Wyoming. Exactly so.

Mr. ROBINSON. If it were not for that statute, section 3648—

No advance of public money shall be made in any case whatever—

The joint resolution would not be necessary.

Mr. CLARK of Wyoming. Just to pursue that—

Mr. ROBINSON. Just a moment. A statute has been passed which applies to the cases of committees on the part of the Senate in this language:

That when any duty is imposed upon a committee of the Senate involving expenses which are ordered to be paid out of the contingent fund of the Senate, upon vouchers to be approved by the chairman of the committee charged with such duty, the receipt of the chairman of such committee for any sum paid to him or his order out of said contingent fund by the Secretary of the Senate shall be taken and passed by the accounting officers of the Treasury as a full and sufficient voucher, but it shall be the duty of such chairman, as soon as practicable, to furnish vouchers in detail for the disbursement of such moneys to the Secretary of the Senate, who shall file them with the accounting officers aforesaid; and this provision shall apply to all cases in which orders of the Senate have already been made.

Now, if this were a committee of the Senate there would be no necessity for this authorization of the advance, but it being a joint commission composed of Members of the House and Senate, in the view of some of us, it is necessary to get the authority for the advance. If the Senator objects the joint resolution will go over.

Mr. CLARK of Wyoming. I have no objection.

The VICE PRESIDENT. Permit the Chair to state that the Chair is not desirous of doing anything except simply to comply with the statute and the rules. The Chair has no knowledge as to the condition of the contingent fund of the Senate. Nobody knows except the Committee to Audit and Control the Contingent Expenses of the Senate. The Chair assumes that there is enough money there; he hopes so, at least. In three minutes time that committee can report the resolution back, and if the report is favorable, it will be passed.

Mr. ROBINSON. Very well. Let the joint resolution go to the committee.

Mr. SIMMONS. I will not object to the pending matter if there is to be no further debate.

Mr. ROBINSON. I have already agreed to let the matter go to the committee upon the suggestion of the Senator from Wyoming and the Senator from Utah.

The VICE PRESIDENT. The joint resolution will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. WILLIAMS subsequently said: From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably without amendment the joint resolution introduced this morning by the Senator from Arkansas [Mr. ROBINSON], and I ask unanimous consent for its immediate consideration.

There being no objection, the joint resolution was considered as in Committee of the Whole.

Mr. GALLINGER. I would suggest to the Senator from Mississippi, as the joint resolution provides that the money shall be paid from the contingent fund of the two Houses, it might be well to insert the words "in equal parts."

Mr. WILLIAMS. Yes. I did not draw up the joint resolution.

Mr. GALLINGER. It is the usual form.

Mr. WILLIAMS. I ask to insert the words "in equal parts." This is an expenditure already authorized by law.

The VICE PRESIDENT. Without objection, the amendment suggested by the Senator from Mississippi will be made.

The joint resolution was reported to the Senate as amended, and the amendment was concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

THE TARIFF.

The VICE PRESIDENT. The morning business is closed.

Mr. SIMMONS. I ask unanimous consent that the Senate proceed to the consideration of House bill 3321.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 3321) to reduce tariff duties and to provide revenue for the Government, and for other purposes.

Mr. PENROSE. I suggest the absence of a quorum, Mr. President.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Hollis	Overman	Smith, Ariz.
Bacon	Jackson	Owen	Smith, Ga.
Borah	James	Page	Smith, Md.
Bradley	Johnson	Penrose	Smith, S. C.
Brady	Jones	Perkins	Smoot
Brandeggee	Kenyon	Pittman	Sterling
Bristow	Kern	Polindexter	Stone
Bryan	Lane	Pomerene	Sutherland
Catron	Lea	Ransdell	Swanson
Chamberlain	Lippitt	Reed	Thomas
Chilton	Lodge	Robinson	Thompson
Clark, Wyo.	McCumber	Root	Thornton
Clarke, Ark.	McLean	Saulsbury	Vardaman
Colt	Martin, Va.	Shafroth	Walsh
Cummins	Martine, N. J.	Sheppard	Warren
Dillingham	Myers	Sherman	Williams
Fletcher	Nelson	Shields	Works
Gallinger	Norris	Shively	
Hitchcock	O'Gorman	Simmons	

Mr. JONES. I desire to state that the junior Senator from Michigan [Mr. TOWNSEND] is necessarily absent, and will be absent for the remainder of the day. He is paired with the Senator from Florida [Mr. BRYAN]. I will let this announcement stand for the rest of the day.

The VICE PRESIDENT. Seventy-four Senators have answered to the roll call. There is a quorum present.

Mr. LIPPITT. Mr. President, I have here a memorial, which was sent to me two or three weeks ago, signed by a very large number of the principal cotton manufacturers of New England, which I should like to have the Secretary read and to have the names printed in the RECORD as a part of my remarks.

The VICE PRESIDENT. In the absence of objection, the Secretary will read as requested, and the names will be printed in the RECORD.

The Secretary read as follows:

Hon. HENRY F. LIPPITT,

United States Senate, Washington, D. C.

AUGUST 12, 1913.

DEAR SIR: We commend and thank you for your able exposition of the unjustifiable and extraordinarily unfair discrimination in the pending tariff bill against New England cotton products, which, as you show, are given a duty of from 7½ per cent to 30 per cent (an average of about 16 per cent), while silk cloth is given a duty of 45 per cent and woolen cloths of 35 per cent.

The percentage of labor cost, higher in cotton than in the other textile industries, seems to require at least as high a duty on cotton goods. With shorter working hours, higher wages, and a higher percentage of labor cost (as shown by the United States census reports) than maintain in the great cotton manufacturing States of the South New England seems to be the target of the framers of the pending tariff measure.

Not desiring any unfair advantage and being ready to compete on equal terms with any manufacturers in the world we urge you to continue your efforts to secure reasonably fair treatment for New England's greatest industry.

Southern manufacturers themselves are on record indorsing our position and the need of higher and fair rates for New England's products. They realize as do we that the continuation and development of the fine cotton goods manufacture of our mills is as important to the South as it is to the North.

Parkhill Manufacturing Co., Fitchburg, Mass.; Arthur H. Lowe, treasurer, Fitchburg, Mass.; Grant Yarn Co., by Geo. P. Grant, Jr., treasurer; Fitchburg Yarn Co., by Geo. P. Grant, Jr., general manager; Orswell Mills, by W. H. Stiles, treasurer, Fitchburg, Mass.; Star Worsted Co., by C. B. Smith, president, Fitchburg, Mass.; Theo. Parsons, treasurer, Lyman Mills, Exchange Building, Boston; Edward Lovering, treasurer, Massachusetts Cotton Mills, Exchange Building, Boston; Herbert Lyman, treasurer, of Merrimack Manufacturing Co., Boston; Wellington Sears & Co., Boston; Edward P. Nichols, treasurer, Great Falls Manufacturing Co., 53 State Street, Boston; Nathaniel F. Ayer, treasurer, Nyanza Mills & Farwell Mills, 70 Kelby Street, Boston; Amory Browne & Co., Boston; W. Amory, treasurer, Pepperell Manufacturing Co., 141 Milk Street, Boston; Sidney Coolidge, treasurer, Lowell Bleachery, Lowell; Bliss Fabyan & Co., Boston; Chas. B. Luther, treasurer, Luther Manufacturing Co., Fall River; C. P. Baker, treasurer, Lawrence Manufacturing Co., Ames Building, Boston; Charles O. Richardson, treasurer, Warwick Mills, Warwick, R. I.; Frederic C. McDuffie, treasurer, York Manufacturing Co. and Everett Mills, 120 Franklin Street, Boston; Geo. H. Sayward, treasurer, Pemberton Co. and Methuen Co., 78 Channey Street, Boston; Converse, Stanton & Co., Boston; A. G. Cunnock, treasurer, Appleton Co., 50 Congress Street, Boston; F. C. Dumaine, treasurer, Amoskeag Manufacturing Co., Ames Building, Boston; J. M. Prendergast & Co., Boston; Ernest Lovering, treasurer, Dwight Manufacturing Co., Exchange Building, Boston; F. A. Flather, treasurer, Boott Mills, 79 Milk Street, Boston; Frederic Amory, treasurer, Nashua Manufacturing Co. and Jackson Co., 82 Devonshire, Boston; H. DeF. Lockwood, assistant treasurer, Pacific Mills, Boston; Albert Greene Duncan, treasurer, Chicopee Manufacturing Co. and Harmony Mills, 70 Kilby Street, Boston; Minot, Hooper & Co., 110 Sumner Street, Boston; Charles F. Young, treasurer, Tremont & Suffolk Mills, 70 Kilby Street, Boston; Arthur R. Sharp, treasurer, Hamilton Manufacturing Co., 20 Devonshire, Boston; John E. Paige, treasurer, Central Mills Co., Southbridge, Mass.; Andrew G. Pierce, for Pierce Manufacturing Corporation, Grinnell Manufacturing Corporation, and Pierce Bros. (Ltd.), New Bedford; Wm. P. Covell, Bristol Manufacturing Co.; Albert G. Mason, Whitman Mills, New Bedford; Frederick C. Macy, Soule Mills, New Bedford; John Neild, Neild Manufacturing Corporation; N. B. Kerr, Butler Mills, New Bedford; W. H. Underdown, New Bedford Cotton Mills Corporation, New Bedford; Edw. T. Pierce, Wamsutta Mills, New Bedford; Geo. H. Hills, treasurer, Stevens Manufacturing Co. and Davol Mills, Fall River; Chas. M. Shove, treasurer, Granite Mills, Fall River; J. E. Osborne, treasurer, American Linen Co. and Merchants Manufacturing Co., Fall River; Robert W. Zuill, treasurer, Cornell Mills, Fall River; Wm. N. McLane, treasurer, Seacomet Mills, Fall River; W. F. Shove, treasurer, Pocasset Manufacturing Co. and Wampanoag Mills, Fall River; H. T. Whitin, treasurer, Paul Whitin Manufacturing Co., Northbridge; Ponemah Mills, J. A. Atwood, treasurer, Providence; International Braid Co., J. O. Arms, treasurer, Providence; Coventry Co., Robert W. Taft, treasurer, Providence; Slater Manufacturing Co., Wm. H. Harris, treasurer, Pawtucket; U. S. Cotton Co., Fred W. Easton, treasurer, Pawtucket; Waypoysset Manufacturing Co., Robt. B. Easton, secretary, Pawtucket; Interlaken Mills, E. C. Bucklin, Providence.

Mr. LIPPITT. Mr. President, the gentlemen who sign this memorial represent perhaps 100,000 employees and several thousand stockholders of cotton-manufacturing companies in New England, and the pay envelopes of the employees depend upon

the prosperity of these mills. It is for these people and their interests that I am speaking to-day.

When the Senate adjourned last night I was on the point of making a comparison of the effect of this change of duty from the high number of cotton yarns to the average number, as shown in Table No. 169 from the Tariff Board's cotton report. That table contains in the neighborhood of 100 different cotton fabrics, which were selected by the board at large through the dry-goods stores of the country as somewhat representative fabrics of the industry. Some of those fabrics contain silk, and as to some it is not possible from the data given by the board to discover just what effect the change in these duties would have; but upon about 80 of those samples it is possible to discover approximately what effect this change would produce in the duty applicable to them.

I have here a table, which I have prepared, showing the number of yarns of which the various fabrics are composed, showing the duty upon each that would be assessed under the principle of the high number of yarns and the duty that would be assessed upon each under the average number of yarns. The general result of that comparison is to show that on goods composed of coarse numbers of yarns there would be no change in duty at all; but that on goods composed of high numbers of yarns, in a very great number of instances, there would be a reduction of duty of from $2\frac{1}{2}$ to $7\frac{1}{2}$ per cent.

On the first 17 samples it will be seen, by an examination of the table, that they are all composed of coarse numbers of yarns. For instance, No. 1 is composed of 6 and 7; No. 3, of 10 and 11; No. 7, of 12 and 16; and so on down the list. On these 17 fabrics there will be no change in the duty.

We then come to numbers 18 to 21, and we find a reduction of the duty of $2\frac{1}{2}$ per cent on the first 3 of these and of 5 per cent on the other.

Sample 19 is composed of No. 80 and of No. 120 yarn; sample 20, of 80 and 100 yarn; sample 21, of 60 and 100. It is on account of the variation in numbers that occurs so frequently in goods composed of these fine yarns that this reduction is brought about. As we go on through the list, which I shall not read in full, it will be seen that wherever the numbers of the yarns are coarse almost without exception there is no change in the duty, and that almost without exception where the yarns are fine there is a reduction of the duty. In all, this table shows that there is a reduction on 31 of these samples that are composed of fine yarns and of fancy woven figures, which, as I have said, runs up as high as $7\frac{1}{2}$ per cent; and that there is no change on 49 of the samples composed of coarse yarn and ordinary weaves.

Mr. President, I do not know that there is any way in which the discrimination, if I may call it so, that this proposed amendment will make as against New England fabrics can be better illustrated than by that table.

Those fine yarn goods are not protected even in the bill as it came from the House to anything like the same extent that the coarser yarn goods are protected. The conditions of the industry, as has been several times stated in this Chamber, are such that for the present we can come very close to competing with foreign countries on some of the coarse fabrics of cotton, but we can not compete with them on the fine fabrics of cotton, where the proportion of labor, as compared with the proportion of cotton that enters into their cost, is very large.

After two years of Democratic study of this question, during all of which time it had been proposed to assess these duties by the high number contained in the cloth, suddenly at the last moment, after the bill had actually been presented in this body, owing to the difficulties of administering that method which ought to have been long since discovered, it is proposed to change this system. Under these circumstances it seems to me that a corresponding change should be made in the classification so as to leave the relative protection between these varieties of goods the same as originally proposed.

I have proposed an amendment, Mr. President, which to some extent will produce this result. This reduction in the duty is brought about on these goods because they are dropped from the class containing high yarns and a proportional duty to a lower class composed of goods made of a little coarser yarns and bearing a lower duty. In the amendment which I have proposed I simply apply the rate of duty of the high class in which these goods formerly came to the class into which they would now go. The average result of those changes is that where, under the previous rate, the duty was 17.8 per cent, under my proposed amendment it will be 17.5 per cent—a slightly lower average. I am proposing no duty higher than is contained in the present bill.

Mr. President, I offer the amendment which I send to the desk as a substitute for paragraph 257.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. As a substitute for paragraph 257, on page 76, it is proposed to insert the following:

257. Cotton cloth, not bleached, dyed, colored, stained, painted, woven figured, or mercerized, containing yarns the highest number of which does not exceed No. 9, $7\frac{1}{2}$ per cent ad valorem; exceeding No. 9 and not exceeding No. 19, 10 per cent ad valorem; exceeding No. 19 and not exceeding No. 29, $12\frac{1}{2}$ per cent ad valorem; exceeding No. 29 and not exceeding No. 39, 15 per cent ad valorem; exceeding No. 39 and not exceeding No. 49, 20 per cent ad valorem; exceeding No. 49 and not exceeding No. 59, $22\frac{1}{2}$ per cent ad valorem; exceeding No. 59 and not exceeding No. 79, 25 per cent ad valorem; exceeding No. 79, $27\frac{1}{2}$ per cent ad valorem. Cotton cloth when bleached, dyed, colored, stained, painted, printed, woven figured, or mercerized, containing yarn the highest number of which does not exceed No. 9, 10 per cent ad valorem; exceeding No. 9 and not exceeding No. 19, $12\frac{1}{2}$ per cent ad valorem; exceeding No. 19 and not exceeding No. 29, 15 per cent ad valorem; exceeding No. 29 and not exceeding No. 39, $17\frac{1}{2}$ per cent ad valorem; exceeding No. 39 and not exceeding No. 49, $22\frac{1}{2}$ per cent ad valorem; exceeding No. 49 and not exceeding No. 59, 25 per cent ad valorem; exceeding No. 59 and not exceeding No. 79, $27\frac{1}{2}$ per cent ad valorem; exceeding No. 79, 30 per cent ad valorem.

Mr. LIPPITT. Mr. President, in connection with what I have said on this subject, I should like to have the table to which I have referred in my remarks printed in full, and also a smaller table showing a brief résumé of the two rates of duty.

The VICE PRESIDENT. In the absence of objection, the tables will be printed as requested.

The tables referred to are as follows:

Kind of cloth, number of yarns, etc.

[From Table 169, Tariff Board's cotton report.]

Kind of cloth.	Number of yarns.	Average number.	High number duty.	Average number duty.	Reduction.
		P. ct.	P. ct.	P. ct.	
1. Duck.....	6-7	7.5	7.5	None.	
2. Duck.....	7-8	7.5	7.5	None.	
3. Osaburg.....	10-11	10	10	None.	
4. Sheeting.....	12-16	10	10	None.	
5. Sheeting.....	11-14	10	10	None.	
6. Domestic.....	18-22	12.5	12.5	None.	
7. Drill.....	12-16	10	10	None.	
8. Canton.....	9-14	10	10	None.	
9. Cheese bunting.....	20-36	12.5	12.5	None.	
10. Window holland.....	18	10	10	None.	
11. Linen finish.....	14	10	10	None.	
12. Sheeting.....	28-32	12.5	12.5	None.	
13. Shirting.....	28-30	12.5	12.5	None.	
14. Sheeting.....	22	12.5	12.5	None.	
15. Long cloth.....	30-36	12.5	12.5	None.	
16. Long cloth.....	40	17.5	17.5	None.	
17. Nainsook.....	55-60	22.5	22.5	None.	
18. India linen.....	60-80	67	25	2.5	
19. Persian lawn.....	80-120	95	25	2.5	
20. Persian lawn.....	80-100	87	25	2.5	
21. Fancy.....	16/2-60-100	75	27.5	2.5	
22. Nainsook.....	26	12.5	12.5	None.	
23. Dimity.....	40-60	47	22.5	17.5	5
24. Piqué.....	26-50	35	20	12.5	7.5
25. Fancy.....	40/2-80-100	85	27.5	25	2.5
26. Lawn.....	50-80	65	25	22.5	2.5
27. Corded check.....	10/2-24/2-70-90	75	25	22.5	2.5
28. Dotted swiss.....	14/3-14-55-80	65	25	22.5	2.5
29. Dotted swiss.....	7-60-80	67	25	22.5	2.5
30. Curtain swiss.....	20-50-60	53	22.5	20	2.5
31. Fancy swiss.....	8-60-70	50	22.5	20	2.5
32. Lappet.....	16/2-50-70	57	22.5	20	2.5
33. Jacquard.....	32-50	40	20	17.5	2.5
34. Fancy.....	40/2-50-80-130	85	27.5	25	2.5
35. Voile.....	70/2-45-120/4	75	27.5	22.5	5
36. Marquisette.....	55-120/2	80	27.5	25	2.5
37. Marquisette.....	40/2-55	20	20	None.	
38. Damask.....	16-24	12.5	12.5	None.	
39. Challie.....	28-32	12.5	12.5	None.	
40. Lawn.....	30-36	12.5	12.5	None.	
41. Calico.....	30	12.5	12.5	None.	
42. Calico.....	30	12.5	12.5	None.	
43. Calico.....	30	12.5	12.5	None.	
44. Percale.....	30-32	12.5	12.5	None.	
45. Printed lawn.....	45-65	33	22.5	20	2.5
46. Organdie.....	50-80	65	25	22.5	2.5
47. Batiste.....	55-90	72	25	22.5	2.5
48. Lawn.....	60-110	80	27.5	25	2.5
49. Lawn.....	65-100	80	27.5	25	2.5
50. Organdie.....	100-120	27.5	27.5	None.	
51. Scrin.....	20/2-26/2	12.5	12.5	None.	
52. Crêpe kimono.....	20-36	12.5	12.5	None.	
53. Drapery twill.....	18-28	12.5	12.5	None.	
54. Serge.....	26/2-28/2	12.5	12.5	None.	
55. Galates.....	20-22	12.5	12.5	None.	
56. Dimity.....	60-70	22.5	22.5	None.	
57. Dimity.....	45-90-120	65	25	22.5	2.5
58. Madras.....	55-80	20	20	None.	
59. Leno.....	28/3-60-70-85	25	25	None.	
60. Book cloth.....	24	12.5	12.5	None.	
61. Window holland.....	18	10	10	None.	
62. Chambray.....	28-36	12.5	12.5	None.	
63. Pongee.....	28-55	39	20	12.5	7.5
64. Soisette.....	40-80	55	25	20	5
65. Pongee.....	40-90	60	25	22.5	2.5
66. Poplin.....	30-60	45	22.5	17.5	5
68. Rep.....	5-32/2	16	12.5	10	2.5

Kind of cloth, number of yarns, etc.—Continued.

Kind of cloth.	Number of yarns.	Average number.	High number duty.	Average number duty.	Reduction.
69. Sateen.....	30-36		P. ct.	P. ct.	P. ct.
70. Sateen.....	45		12.5	12.5	None.
71. Gingham.....	24-30	27	17.5	17.5	None.
72. Gingham.....	26-40	32	12.5	12.5	None.
73. Cheviot.....	12-14		17.5	12.5	5
74. Madras.....	18-24		10	10	None.
75. Gingham.....	24-28-40	30	12.5	12.5	None.
76. Outing flannel.....	12-20-24-28		17.5	12.5	5
77. Ticking.....	9-14		12.5	12.5	None.
78. Denim.....	9-14		10	10	None.
79. Plaids.....	12-14		10	10	None.
80. Scotch gingham.....	50-55		10	10	None.
81. Fancy gingham.....	55		20	20	None.

This table shows that changing the basis of duty from the highest number of yarn in the cloth to the average number of yarn in the cloth makes a reduction from 2.5 to 7.5 per cent on 31 fine-yarn and fancy-woven styles; no change on 49 coarse yarn and ordinary woven; total of 80 styles.

Cloth, gray.

PROPOSED.	AS AT PRESENT.
Not above No. 9..... 7.5	Not above No. 9..... 7.5
9 to 19..... 10	9 to 19..... 10
19 to 29..... 12.5	19 to 29..... 12.5
29 to 39..... 15	29 to 39..... 12.5
39 to 49..... 20	39 to 49..... 17.5
49 to 59..... 22.5	49 to 59..... 20
59 to 79..... 25	59 to 79..... 22.5
Above 79..... 27.5	Above 79..... 25
	Above 99..... 27.5
\$140	\$142.5
17.5	17.3

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Rhode Island.

Mr. SMITH of Georgia. Mr. President, I understand the Senator from Rhode Island has the floor. When he finishes, I wish to say just a word.

Mr. LIPPITT. Mr. President, if the Senator from Georgia would like to speak on this subject, I will be very glad to yield.

Mr. SMITH of Georgia. I do not wish to speak upon the separate proposals the Senator offers in the nature of changes. I only wish to say that we do not agree with the conclusions of the Senator from Rhode Island in the figures which his calculation produces. I will not take the time of the Senate to go into them fully. In the first place, the Senate committee bill has changed the House classification by making a break at 79 and making a rise there. In the next place, the amendment which I offered on yesterday, providing that in the counting of threads all ply yarns shall be separated into singles of the count taken by the total singles, changes the classification. These two changes each raise the classification and increase the duty.

Illustrating by the numbers from 59 to 99, our classification shows that the duty on 12 items is not changed at all. That classification is also based upon the report of the Tariff Board and the classes of goods which they use. Six were reduced from 25 to 22½ per cent—making a reduction of 2½ per cent; one to 20 per cent, and one advanced to 30 per cent. That is the result of the calculation upon those goods, as shown in the Tariff Board report.

Mr. LIPPITT. In regard, Mr. President, to the effect of the change to which the Senator refers, of separating twisted yarns in the goods into their component parts and putting a special duty on twisted yarn goods, I will speak briefly in connection with an amendment which I propose to offer to a succeeding paragraph. I should like to have the question put on my amendment.

Mr. GALLINGER. Mr. President, I have taken no time whatever in the discussion of the cotton schedule, notwithstanding the people of New Hampshire are greatly interested in it.

I only wish to say this morning, in the briefest possible words, that there is a great deal of solicitude felt on the part of our manufacturers of the finer grades of cotton and of hosiery, and it is a matter of extreme regret to me that our Democratic friends do not see their way clear to agree to the schedule the Senator from Rhode Island [Mr. LIPPITT] has submitted this morning. I feel sure that there ought to be higher rates, though not to any great extent.

The increases proposed by the Senator from Rhode Island are very moderate, and it would be a great gratification if they

could be agreed to; but I assume that they will not be. All I can do or say, therefore, is that I feel that a great injustice—very likely inadvertently—is being done the manufacturers of New England in the matter of the finer grades of cotton and, as I suggested, of hosiery.

I should be glad if the amendment could be agreed to, but in view of the experiences we have had I confess I have not very much hope that it will be agreed to.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Rhode Island [Mr. LIPPITT].

The amendment was rejected.

Mr. LIPPITT. I offer an amendment to paragraph 268, which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to strike out, in paragraph 257, the words "woven figured," and, as a substitute for paragraph 268, to insert the following:

268. Figured or fancy cotton cloth woven by means of jacquard, dobby, drop box, lappet, leno, swivel, or other similar attachments, or containing novelty yarns in whole or in part other than the ordinary ply or cable-laid yarn or thread, there shall be paid a duty of 10 per cent in addition to the duty or duties imposed upon such cotton cloth by the various provisions of this section, the intent of this paragraph being to add this duty or duties to those to which such cotton cloth would be liable if the provisions of this paragraph did not exist.

Mr. LIPPITT. Mr. President, in this bill there are two special duties put upon fabrics that are fancy woven. One is in paragraph 268, for which I have proposed this substitute, which applies to cotton table damask and puts a duty of 25 per cent ad valorem upon it.

Cotton table damask is for the most part made out of yarns from 20s and 39s, and the duty upon that fabric, if it had not been put in this special paragraph, would be 15 per cent. The particular feature of cotton table damask is simply that it has a large brocade figure, usually a figure made by a Jacquard loom. The reason and excuse for raising the duty on this fabric from what it would be under the yarn clauses is the fact that it is woven upon a Jacquard loom.

In paragraph 263, as amended by the Senate, tapestries and other Jacquard figured upholstery goods received a duty of 35 per cent as the bill was first reported to the Senate, but as it was amended yesterday the word "Jacquard" was changed to "woven." So, as it would now read, woven figured upholstery goods receive a duty of 35 per cent.

These upholstery goods are also goods that are made for the most part out of coarse yarns. They are very expensive and very elaborate fabrics, and the duty of 35 per cent is not in any way an excessive duty for them; but if they did not have this special paragraph into which they fall they would also probably receive a duty of 15 per cent. So by this paragraph the duty is raised from 15 to 35 per cent, or something more than doubled.

The principle that is involved in both of these changes of duty is that decorated, figured, and fancy goods, on account of their greater labor cost as compared to their cotton cost, are entitled to some higher rate of duty than the more simple products of the loom; but there is no more reason for picking out these two kinds of fabrics to apply this duty to than there is for treating in a like manner all the other products of the fancy loom.

There are in this country in the neighborhood of 20,000 Jacquard looms. There are engaged upon tapestries and upon damasks perhaps between two and three thousand of those looms. Those two or three thousand looms have been very properly given this extra consideration in the duty. All I am maintaining and all I am asking is that the other 17,000, if that be the number, shall have their products treated in exactly the same way.

In addition to the Jacquard looms, there are perhaps in the neighborhood of 100,000 looms, all told, upon which fancy notions of some kind or other are in operation. They are dobbies, drop boxes, lenos, swivels, and lappets, such as I have referred to in my amendment.

The effect of the amendment is to put all the other fancy products upon a parity with these two products, which, for reasons known to the committee but which have not been very plainly put before this body, if at all, have been treated in this way.

I have not asked for a high duty. In one of these cases there is a difference made of 10 per cent. In the other case there is a difference made of 20 per cent. Day before yesterday there was passed, without debate and without explanation, a substitute for the paragraph applying duties upon silk cloth. In that substitute a duty of 45 to 55 per cent was put upon Jacquard goods made of silk. The percentage of labor cost in making those silk goods is no more than the percentage in making similar cotton fabrics. Nevertheless, this enormous discrimination has been made between the products of these two industries. It

seems to me that when in some cases such high duty has been applied, it is only a very moderate thing to ask that the lowest of those special duties shall be applied alike to all the other products of the fancy loom.

I noticed in the bill introduced by the Senator from Wisconsin [Mr. LA FOLLETTE] a paragraph very similar to the one which I have proposed and containing in effect practically the same duties upon these fancy cotton fabrics.

Mr. President, this is a matter that is of great importance to New England, because it is in New England that the great bulk of these advanced products of the loom are manufactured. I think every consideration of fairness and of equality, as between the treatment of one fabric and another in the various schedules of this bill, justifies the adoption of this amendment, and I ask for the yeas and nays upon it.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. BRYAN (when his name was called). I have a pair with the junior Senator from Michigan [Mr. TOWNSEND], and therefore withhold my vote.

Mr. McCUMBER (when Mr. GRONNA's name was called). My colleague [Mr. GRONNA] is necessarily absent. He is paired with the junior Senator from Illinois [Mr. LEWIS]. I will let this announcement stand on all votes during the day.

Mr. JAMES (when his name was called). I have a general pair with the junior Senator from Massachusetts [Mr. WEEKS]. I transfer that pair to the junior Senator from Montana [Mr. WALSH] and will vote. I vote "nay."

Mr. McCUMBER (when his name was called). I have a pair with the senior Senator from Nevada [Mr. NEWLANDS]. I transfer that pair to the junior Senator from Maine [Mr. BURLEIGH] and will vote. I vote "yea."

Mr. THOMAS (when his name was called). I have a general pair with the senior Senator from Ohio [Mr. BURTON]. I transfer that pair to the junior Senator from Oklahoma [Mr. GORE] and will vote. I vote "nay."

The roll call was concluded.

Mr. BRYAN. I transfer my pair with the junior Senator from Michigan [Mr. TOWNSEND] to the junior Senator from New Jersey [Mr. HUGHES] and will vote. I vote "nay."

Mr. REED. I transfer my pair with the senior Senator from Michigan [Mr. SMITH] to the senior Senator from South Carolina [Mr. TILLMAN] and will vote. I vote "nay."

Mr. CHAMBERLAIN. I have a general pair with the junior Senator from Pennsylvania [Mr. OLIVER]. I transfer that pair to the senior Senator from Virginia [Mr. MARTIN] and will vote. I vote "nay."

Mr. LODGE. I desire to say that my colleague [Mr. WEEKS] has been suddenly called from the city by illness in his family. He stands paired with the junior Senator from Kentucky [Mr. JAMES], as has already been announced.

Mr. GALLINGER. I have been requested to announce pairs between the senior Senator from Delaware [Mr. DU PONT] and the senior Senator from Texas [Mr. CULBERSON] and between the junior Senator from West Virginia [Mr. GOFF] and the Senator from Alabama [Mr. BANKHEAD].

The result was announced—yeas 29, nays 41, as follows:

YEAS—29.

Borah	Gallinger	Nelson	Smoot
Bradley	Jackson	Norris	Sterling
Brandegge	Jones	Page	Sutherland
Bristow	Kenyon	Penrose	Warren
Catron	Lippitt	Perkins	Works
Clark, Wyo.	Lodge	PoinDEXTER	
Colt	McCumber	Root	
Dillingham	McLean	Sherman	

NAYS—41.

Ashurst	Kern	Reed	Smith, S. C.
Bacon	Lane	Robinson	Stone
Bryan	Lea	Saulsbury	Swanson
Chamberlain	Martine, N. J.	Shafroth	Thomas
Chilton	Myers	Sheppard	Thompson
Clarke, Ark.	O'Gorman	Shields	Thornton
Fletcher	Overman	Shively	Vardaman
Hitchcock	Owen	Simmons	Williams
Hollis	Pittman	Smith, Ariz.	
James	Pomerene	Smith, Ga.	
Johnson	Ransdell	Smith, Md.	

NOT VOTING—25.

Bankhead	Cummins	La Follette	Tillman
Brady	du Pont	Lewis	Townsend
Burleigh	Fall	Martin, Va.	Walsh
Burton	Goff	Newlands	Weeks
Clapp	Gore	Oliver	
Crawford	Gronna	Smith, Mich.	
Culbertson	Hughes	Stephenson	

So Mr. LIPPITT's amendment was rejected.

Mr. POINDEXTER. Will the Senator from North Carolina inform me whether the committee has arrived at any conclusion

upon the amendment which they took under advisement in reference to lumber and shingles or a countervailing duty as against export duties levied upon logs? It is an amendment which I proposed to paragraph 157 of the bill. I do not know whether the Senator from North Carolina will recall it from my statement. I will read the amendment.

Mr. SIMMONS. I remember the Senator's amendment. I told the Senator I would present it to the committee for consideration. I did present it to the committee for consideration, as I promised the Senator I would do, and the committee did not approve of the amendment.

I call the Senator's attention to the fact, although it does not reach the case fully, that there is already such a provision in the bill. I think it is paragraph J of the section in the administrative part of the bill. It provides that whenever any foreign country imposes an export duty or a bounty upon any product shipped to this country the export duty and the bounty shall be added to the duty imposed upon that country by our tariff law. I confess frankly it does not reach the point the Senator has in view, although it does reach the general proposition of export duties imposed by foreign countries upon products imported into this country.

I simply desire to say to the Senator, in response to his question, that after consideration the committee did not agree to the amendment.

Mr. POINDEXTER. Mr. President, I am very much encouraged even by the committee taking the matter under advisement. I think it indicates considerable merit in the amendment that they were willing even to consider it. It is still pending. There is one modification that I should like to make in the amendment, and after a very brief statement in regard to it I shall ask for a vote upon it.

The VICE PRESIDENT. The Chair will state to the Senator from Washington that on his request the amendment was referred to the committee.

Mr. POINDEXTER. I will reoffer it in a somewhat modified form.

The VICE PRESIDENT. The amendment will be read.

The SECRETARY. On page 157, line 6, after the word "section," at the end of paragraph 649, insert the following proviso:

Provided, That when an export duty is imposed by any foreign country, or any Province or subdivision thereof, on logs, blocks, or other raw material from which lumber or shingles are manufactured, or if the export of such logs or raw material from such foreign country, or any Province or subdivision thereof, or any class of lands therein, into the United States shall be prohibited, then in either event there shall be levied and collected a duty of \$1.25 per thousand feet upon lumber and 25 cents per thousand upon shingles imported into the United States from such foreign country.

Mr. POINDEXTER. Mr. President, the amendment which the Secretary has just read to the lumber schedule in the bill is directly in line with the policy which the Democratic Party claims to believe in, namely, cheap raw materials, and is simply intended as a means by which this country may have some weapon by which it may induce a foreign country—and the foreign country, I will say frankly, I have in mind is Canada and its Provinces—to remit export duties which it now imposes upon the raw materials which go to the making of lumber in its various forms, and shingles. It is directly in line with the policy announced as one of the cardinal doctrines upon which this bill is framed, and at the same time it is not in conflict with any principle which the opponents of the Democratic Party believe in.

I want to call attention, Mr. President, to the laws which British Columbia and other Provinces of Canada have enacted in this regard. The Province of Ontario has this provision:

1. Every license or permit conferring authority to cut spruce or other soft wood, trees or timber, not being pine, suitable for manufacturing pulp or paper, on the ungranted lands of the Crown, or to cut such timber reserved to the Crown on lands leased or otherwise disposed of by the Crown, which shall be issued on or after the 30th day of April, 1900, shall contain and be subject to the condition that all such timber cut under the authority or permission of such license or permit shall, except as hereinafter provided, be manufactured in Canada, that is to say, into merchantable pulp or paper, or into sawn lumber, woodenware, utensils, or other articles of commerce or merchandise as distinguished from the said spruce or other timber in its raw or unmanufactured state.

The Province of Quebec has a regulation as follows:

All timber cut on Crown lands after the 1st of May, 1910, must be manufactured in Canada—that is to say, converted into pulp or paper, deals or boards, or into any other article of trade or merchandise of which such timber is only the raw material.

The Province of British Columbia has this provision:

All timber cut on ungranted lands of the Crown, or on lands of the Crown which shall hereafter be granted, shall be used in this Province, or be manufactured in this Province into boards, deals, joists, lath, shingles, or other sawn lumber.

The Province of New Brunswick has a similar provision, as follows:

And such condition shall be kept and observed by the holder or holders of any such timber licenses or permits, who shall cut or cause to be cut spruce or other soft-wood trees or timber, not being pine or poplar, suitable for manufacturing pulp or paper under the authority thereof, and by any other person or persons who shall cut or cause to be cut any of such wood trees or timber under the authority thereof, and all such wood trees or timber cut into logs or lengths or otherwise shall be manufactured in Canada as aforesaid.

The amendment, Mr. President, provides, in substance, that in such a case as that there shall be levied a duty of \$1.25 per thousand feet upon lumber from that country and 25 cents a thousand on shingles, which levy will be some inducement to Canada and its Provinces to remit this burden upon the manufacture of lumber, imposed by this obstacle; prohibition, in fact, in most of the Provinces, upon the export of logs.

I ask for a ye-a-and-nay vote upon the amendment.

Mr. CUMMINS. I should like to hear the amendment read.

The VICE PRESIDENT. The Secretary will read the amendment submitted by the Senator from Washington.

The Secretary again read Mr. POINDEXTER'S amendment.

The VICE PRESIDENT. Is the request for the yeas and nays seconded?

The yeas and nays were ordered.

Mr. JONES. Mr. President, I wish to submit just a word or two in behalf of this amendment. The ground has been well covered by my colleague [Mr. POINDEXTER]. I want to call especial attention to the fact that the committee, as he says, has recognized the justice of the principle involved in the amendment because it has provided that whenever a duty is imposed upon an article in this bill and restrictions are imposed in another country there shall be a countervailing duty. I can not see why that principle should not also be applied to articles which in this bill are placed upon the free list where some other country imposes restrictions upon the exports into this country. That is simply the situation in this case. If there was a duty, however small, upon any of these articles, then the general provision of the bill would apply and there would be a countervailing duty.

I will state what is the situation as it relates to the products in our State under the provisions of this bill. Nearly everything that we produce has been placed upon the free list—wheat, lumber and all its products, meat, coal, wool, cattle, sheep, swine, potatoes, sugar, and a great many other products—and practically everything that has not been put on the free list has been very greatly reduced in duty, such as fruit, oats, barley, hay, eggs, lime, horses, butter, and practically all the products of the farm.

It seems to me that we are asking nothing more than is fair and just; that upon these products of one of the greatest industries not only in our State but in the country, where the conditions are such that rigorous restrictions are placed upon the export of these articles to our country from an adjoining country, the principle of a countervailing duty should be applied.

In addition to what my colleague read as to the requirements in Canada, I want to call the attention of the committee to a few regulations set out in the British Columbia Timbermen's Guide for 1910. They state that—

Crown grant or patent gives absolute ownership in fee simple to land and timber thereon, and on the timber taken from land covered by deeds issued prior to the 7th of April, 1887, there is a tax of from \$1 to \$4 per thousand noted, which is refunded if the logs are manufactured into lumber in Canada. On all timber cut on deeded Crown-grant lands issued since the 7th of April, 1887, and prior to 12th of March, 1906, there is a royalty of 50 cents per thousand and no tax. Both these classes are exportable.

On any timber cut from Crown lands or from Crown-granted lands deeded since the 12th of March, 1906, there is a royalty of 50 cents per thousand, but the logs are not exportable until manufactured.

In other words, the regulations and laws relating to British Columbia and Canada are so framed as practically to compel the manufacture of the logs into lumber before they can be shipped or sent over into this country—legislation framed for the direct promotion of the development of manufacturing in Canada, and evidently aimed against the export of these products into this country until after they have been manufactured in Canada. They do not want us to get their raw material. They know the benefits arising from its manufacture in their own country by the employment of home labor and the development of home industries, and they do whatever is necessary to promote their own development.

All timber cut under lease, special license, or general license from provincial lands lying west of the Cascade Range of mountains, must be manufactured within the confines of the Province of British Columbia, otherwise the lease, special license, or general license shall be canceled.

That provision is aimed squarely and directly against the manufacturers in the industry of lumbering in the State of Wash-

ington, because it confines its application to lands in British Columbia west of the Cascade Mountains, and actually provides for the cancellation of the lease or the license if this timber is exported before it is manufactured. Not only do they impose export duties to encourage home industry, but they, by law, expressly require the raw material to be manufactured at home. This has been the British policy from time immemorial, and accounts for her greatness in many lines.

Now, it does seem to me that our people and Congress should endeavor to promote our industries, at least to a certain extent, when there are regulations and laws in force in an adjoining territory that are aimed directly and specifically at our people and our industries. If we do not protect ourselves and our industries, of course we need not expect other nations to have any regard for our interests. Then, again:

2. All timber cut on ungranted lands of the Crown, or on lands of the Crown which shall hereafter be granted, shall be used in this Province or be manufactured in this Province into boards, deal joists, lath, shingles, or other sawn lumber.

That applies specifically to lands and the industry in British Columbia, and is aimed directly at the industry in our State.

Then there is another regulation that is in force in that territory that operates against the export of logs into our territory, and that is the towage rates that are fixed in British Columbia. I have here a table showing the towage rates that are fixed, which I ask may be put into the Record.

The VICE PRESIDENT. In the absence of objection, permission to do so will be granted.

The table referred to is as follows:

British Columbia towage rates per mile.

From—	Vancouver.	Blaine.	Bellingham and Anacortes.
Squamish.....	\$0.20	\$0.80	\$0.90
Vancouver.....		.60	.75
Wilson Creek.....	.35	.75	.90
Harris Camp.....	.40	.75	.90
Jervis Inlet.....	.85	1.25	1.25
Vancouver Bay.....	.60	1.00	1.10
Captain Island.....	.50	.90	1.00
Sechelt Inlet.....	.60	1.00	1.10
Thunder Bay.....	.50	.90	1.00
Porpoise Bay.....	.75	1.10	1.10
Bute and Toba Inlets.....	1.00	1.25	1.25
This side Yucaltaw Rapids.....	.75	1.00	1.25
Discovery Passage.....	1.00	1.25	1.25
Hole-in-the-Wall.....	1.00	1.25	1.25
Between Yucaltaw Rapids and Johnston Straits.....	1.00	1.25	1.25
Johnston Straits to entrance Knight Inlet.....	1.25	1.50	1.50
Knight Inlet.....	1.50	1.75	1.75
Drury, Kingcome Inlet, and Greenway Sound.....	1.50	1.75	1.75
Comox.....	1.00	1.25	1.25

Towage from any of the above places to Chemainus or Nanaimo same rate as to Vancouver.

Towage to New Westminster and Victoria 25 cents per mile more than to Vancouver.

Mr. JONES. Mr. President, it does seem to me that with these facts and these conditions existing in an adjoining country, that apply specifically and directly, and are intended to apply specifically and directly to our industry, Congress would be derelict in its duty if it did not provide a way by which we might lead to a relaxation of those regulations in order that our industries may be protected to a certain extent at least. Can the majority afford to vote down a proposition that has for its purpose the securing of fair treatment for our own? Not only self-interest but self-respect requires us to insist upon fair and equal treatment.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Washington [Mr. POINDEXTER] on which the yeas and nays have been ordered. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. BRYAN (when his name was called). I have a pair with the Senator from Michigan [Mr. TOWNSEND], and therefore withhold my vote.

Mr. CHAMBERLAIN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. OLIVER]. In his absence, I withhold my vote.

Mr. JAMES (when his name was called). I have a general pair with the Senator from Massachusetts [Mr. WEEKS]. In his absence, I withhold my vote. If I were permitted to vote I should vote "nay."

Mr. McCUMBER (when his name was called). I have a general pair with the senior Senator from Nevada [Mr. NEWLANDS], and in his absence I withhold my vote.

Mr. THOMAS (when his name was called). I make the same announcement of the transfer of my pair as before and vote "nay."

The roll call was concluded.

Mr. JAMES. I transfer the pair I have with the Senator from Massachusetts [Mr. WEEKS] to the Senator from Virginia [Mr. MARTIN] and vote "nay."

Mr. REED. I transfer my pair with the Senator from Michigan [Mr. SMITH] to the Senator from South Carolina [Mr. TILLMAN] and vote "nay."

Mr. WILLIAMS (after having voted in the negative). I have just been informed that the senior Senator from Pennsylvania [Mr. PENROSE], with whom I am paired, did not vote. That being the case, I wish to withdraw my vote.

Mr. LEWIS. I desire to announce my pair with the junior Senator from North Dakota [Mr. GRONNA].

The result was announced—yeas 27, nays 43, as follows:

YEAS—27.

Borah	Dillingham	McLean	Smoot
Bradley	Fall	Nelson	Stephenson
Brandeggee	Gallinger	Page	Sterling
Cañon	Jackson	Perkins	Sutherland
Clark, Wyo.	Jones	Poin Dexter	Warren
Colt	Lippitt	Root	Works
Cummins	Lodge	Sherman	

NAYS—43.

Ashurst	Kenyon	Pomerene	Smith, Ga.
Bacon	Kern	Ransdell	Smith, Md.
Bristow	Lane	Reed	Smith, S. C.
Chilton	Lea	Robinson	Stone
Clarke, Ark.	Martine, N. J.	Saulsbury	Swanson
Fletcher	Myers	Shafroth	Thomas
Hitchcock	Norris	Sheppard	Thompson
Hollis	O'Gorman	Shields	Thornton
Hughes	Overman	Shively	Thordaman
James	Owen	Simmons	Walsh
Johnson	Pittman	Smith, Ariz.	

NOT VOTING—25.

Bankhead	Crawford	Lewis	Tillman
Brady	Cumbers	McCumber	Townsend
Bryan	du Pont	Martin, Va.	Weeks
Burleigh	Goff	Newlands	Williams
Burton	Gore	Oliver	
Chamberlain	Gronna	Penrose	
Clapp	La Follette	Smith, Mich.	

So the amendment of Mr. POINDEXTER was rejected.

Mr. SIMMONS. Mr. President, I ask that we recur to paragraph 646. The Senator from North Dakota [Mr. McCUMBER] desires to offer an amendment to that paragraph, which by inadvertence we passed by.

The SECRETARY. Paragraph 646 is on page 155.

Mr. McCUMBER. Mr. President, I move to amend paragraph 646, on page 156, line 1, by striking out the numerals "10" and inserting in lieu thereof the numerals "20."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 156, line 1, before the word "cents," it is proposed to strike out "10" and insert "20," so as to read:

That wheat shall be subject to a duty of 20 cents per bushel, etc.

Mr. McCUMBER. Mr. President, duty toward the people of my State, who will, under normal conditions, be injured to the extent of from ten to twenty million dollars annually if this bill passes unchanged, compels me to make a last attempt to penetrate the seemingly impregnable wall which a Democratic caucus has built around the Democratic conscience, with the hope that I might possibly reach that conscience, and, reaching it, it might influence and govern the Democratic will to do justice to the northwestern section of the country.

Mr. President, during my absence from the Senate there have been made upon the floor of the Senate and read into the Record editorial statements bearing upon the grain situation of the Northwest so deceptive in their wording and so false in their conclusions that I have felt it incumbent upon me to avail myself of the very first opportunity to uncover the deceptions and to refute the false inferences.

The CONGRESSIONAL RECORD of August 14, page 3376, contains the following:

Mr. SMITH of Georgia. Mr. President, I desire to relieve somewhat the apparent distress of my friend from South Dakota [Mr. CRAWFORD] and also my friend from North Dakota [Mr. GRONNA]. I sent this morning to the office of the Secretary of the Senate to obtain a paper with the prices of commodities, to see what the relative prices of wheat were in Minneapolis and in Winnipeg. I want to give the Senators the pleasing information that in Winnipeg No. 1 northern is selling at 95½ cents and at Minneapolis at 89½ cents per bushel, and No. 2 in Winnipeg is selling at 93½ and in Minneapolis at 87½ cents per bushel.

I have also a slip of a week ago quoting the market prices, which showed only No. 2, and it gives No. 2 at Winnipeg at 93 cents a bushel and at Minneapolis at 87½.

Mr. CRAWFORD. The same grade of wheat?

Mr. SMITH of Georgia. The same grade, No. 2—

The Senator from Georgia made a mistake in that, because it is not the same grade, although the denominating numerals are the same.

Mr. SMITH of Georgia. Mr. President—

The PRESIDING OFFICER (Mr. KERN in the chair). Does the Senator from North Dakota yield to the Senator from Georgia?

Mr. McCUMBER. Certainly.

Mr. SMITH of Georgia. I will say to the Senator that they were given in the paper as the same grade. I understand the Senator means not that the paper did not give them that same grade, but that the No. 2 to which the paper referred, while of the same apparent number, was really a different grade.

Mr. McCUMBER. Yes; the Senator quoted correctly from the paper, and I would not want to convey any other impression. The Senator from Georgia proceeded:

Furthermore, I wish to read to my friend a comforting assurance from one of the Republican papers of Dakota, known as Sheldon's Progress. It is headed:

"THAT TARIFF AGAIN."

"Yesterday No. 1 northern wheat sold at Winnipeg for 96 cents, at Minneapolis for 88 cents, at Duluth for 87 cents, and at Chicago for 91 cents. Would we suffer from the importation of Canadian wheat, or would we not?"

Furthermore, I desire to read from another Republican paper of North Dakota upon the subject of wheat. It is from the Fargo Forum. I understand it is one of the leading Republican papers of the State. I shall not read that portion of the editorial which comments upon the speech of my friend, the Senator from North Dakota, but I shall read a portion of it which refers to the relative prices of wheat in Winnipeg and in Minneapolis.

Mr. President, the Senator from Georgia properly refrained from quoting in the Senate the words in the editorial of the Forum because of their insinuating character; but that I may the better show the misleading character of this editorial and refute its conclusion I shall quote the greater portion of it. The editorial bearing upon this phase of the question is as follows:

GRONNA MADE A SPEECH.

Senator GRONNA, of North Dakota, made a speech in the United States Senate yesterday. He lammed right into that old Democratic tariff bill—for the sake of the folks back home—and he certainly did "soak 'er a good one." As Mr. Dooley would say, "Twas a turbid slaughter, Hinnissy."

Mr. GRONNA is not going to stand idly by and see rank indiscriminate against the farmer. Not on your life. If the farmers of North Dakota had been forced to have sold their 1912 crop, the 143,000,000 bushels of wheat that was raised in this State last year under the conditions that will be imposed by the new tariff, they would have lost \$15,000,000.

That's what GRONNA said. These are his figures.

The Forum wonders just what the hard-headed North Dakota farmers who make a study of the grain markets of the world—are often better posted on prices and conditions in the world's markets than professional traders—will think of a statement like that. Mr. GRONNA says that under the conditions obtaining in 1912, when there was a short crop in foreign countries; that if the farmers had been forced to sell in the open market of the world they would have lost \$15,000,000.

The North Dakota farmer will take that statement and subject it to a little analysis. He will pick up his last edition of the Forum—the one which was printed last night, and which contained the report of the speech made by Mr. GRONNA in Washington—and, turning to the market report, he will find the following very significant figures:

Winnipeg wheat, cash, close, No. 1 northern, 95 cents.

Minneapolis wheat, cash, close, No. 1 northern, 87 to 88½ cents.

And the North Dakota farmer knows that Winnipeg prices have been higher than North Dakota prices during almost if not the entire time since the 1912 crop was harvested. If the North Dakota farmer has any competition to fear in selling his wheat or any other crop, it is from the Canadian northwest; and the Canadian farmer, selling in the open market, has been obtaining higher prices than the American with his protected market.

Mr. President, the article is a criticism upon the address of my colleague, in which he showed to the Senate what would have been the loss to the farmers of North Dakota if we had had free trade during a number of preceding years, and if he inadvertently used the comparative prices of the 1912 crop in Winnipeg and Minneapolis, the only crop in years in which our price has dropped to the Canadian level, as a basis of calculation, that inadvertence was apparent and in no way detracted from the force of his argument, which was that under normal crop conditions our prices, by reason of protection, were very much higher than the Canadian prices. The editorial in question, seizing that one comparison, made it a basis for an argument that our tariffs did not protect and conveyed the idea that this was the usual condition.

The argument of my colleague was based upon normal conditions in the Northwest and was unassailable in any respect whatever.

The first answer to the claim that Winnipeg prices of wheat are higher than the Minneapolis prices is that it is wholly untrue. That No. 1 northern Manitoba grade is higher in Winnipeg than No. 1 northern Minnesota grade in Minneapolis is true. Why? Because No. 1 northern Manitoba grade is

entirely a different grade of grain from No. 1 northern Minnesota grade and is worth more. One might just as reasonably say that wheat is higher in Chicago than in Duluth by citing the price of Macaroni in Duluth and the price of Winter Red in Chicago. Minnesota No. 1 northern and Manitoba No. 1 northern are different kinds of wheat, as the following requirements for each of these commercial grades will show. I will have these grade requirements inserted so as to show the distinction:

MINNESOTA GRADE.	CANADIAN GRADE.
No. 1 northern spring wheat must be sound and well cleaned; it may be composed of the hard and the soft varieties of spring wheat, but must contain a larger proportion of the hard varieties and weigh not less than 57 pounds to the measured bushel.	No. 1 Manitoba northern wheat shall be sound and well cleaned, weighing not less than 60 pounds to the bushel, and shall be composed of at least 60 per cent of hard Red Fife wheat.

It will be noticed that the Manitoba grade for No. 1 northern requires a wheat that weighs not less than 60 pounds to the bushel, while the Minnesota grade requires a wheat that shall weigh not less than 57 pounds to the bushel, a difference of 3 pounds; that the Manitoba grade must be composed of at least 60 per cent of hard Red Fife wheat, while the Minnesota grade requires only a larger proportion of hard varieties than of soft, and Blue Stem takes the place of Red Fife. I assume that neither the North Dakota papers referred to nor the Senator presenting those excerpts on the floor of the Senate knew of these facts. Certainly the Senator would have disclosed them had he known them. The truth is, there is no material difference in the prices of the same kind of wheat. Both countries are on an export basis and are receiving exporting prices. We have not exported before, as I remember, for fully 15 years.

Now, if we will turn to the Liverpool prices—and I take my statement from the quotation as given in the Manitoba Free Press of August 16, quoting prices for August 15—we will find:

Manitoba No. 1	\$1.12½
Duluth No. 1	1.05½

Difference between these two grades in Liverpool, 7½ cents.

There is a difference of 7½ cents because the Manitoba No. 1 is a higher grade than the Duluth No. 1. If I turn to the Winnipeg prices for August 15 and Duluth for the same date, I find—

	Cents.
Manitoba No. 1	94½
Duluth No. 1	88½

Difference between the two grades in Duluth and Winnipeg, 5½ cents.

Winnipeg makes less difference between the two grades than does Liverpool.

I find in comparing the same grades with Minneapolis quotations—

	Cents.
No. 1 Manitoba (Winnipeg)	94½
No. 1 Minneapolis	90

Difference between the two grades in Minneapolis and Winnipeg, 4½ cents.

Again, that difference, while not as great as the two grades in Liverpool, represents a difference in quality of grade and not a difference in the price of the same grade.

In other words, Liverpool pays 7½ cents more for Manitoba than for Duluth No. 1, and Winnipeg pays 5½ cents more for Manitoba No. 1 than Duluth pays for Minnesota No. 1.

If Minnesota No. 1 northern were exactly the same quality as Manitoba No. 1 northern, there would be an actual difference of from 5 to 5½ cents in favor of Winnipeg. As a matter of fact there is no material difference in grain of the same quality between Winnipeg and Duluth or Minneapolis, because to-day both are on an export basis. I do not admit that there is 7½ cents difference in real value between the Duluth No. 1 northern and the Winnipeg No. 1 northern, as shown by the Liverpool quotations. There probably is an actual difference in value of from 4 to 5 cents. Why, then, is there 7½ cents made in Liverpool?

I have explained that before the Senate many times in my plea for Federal inspection of grain. Europe has confidence in the Canadian grades, where Government inspection is in force. It has not confidence that the American grade will measure up to the American requirements for that grade, which it would have to do with Federal inspection. It has been deceived so often by the mixing concerns of the country that it discounts the American grades in all European exchanges.

The next question which challenges attention, and the answer to which the American farmer is entitled to know, is this: Why is it that while our wheat has for the past 12 or 15 years prior to this 1912 crop averaged about 10 or 12 cents a bushel more

than the Canadian crop, the prices of our 1912 crop have suddenly gone down to the Canadian price?

Let us have the truth of this great change in prices on the 1912 crop. Let us take into consideration all the factors that enter into this changed condition.

Those unacquainted with grades, classes, and species of wheat raised in the United States seem to be imbued with the single idea that wheat is wheat; therefore if we raise more wheat in the United States than we consume in the United States our prices can not be seriously affected by importations. The fallacy of their reasoning follows the fallacy of the assumption. Blue Stem wheat is wheat, but it is not Fife wheat. Soft wheat is not hard wheat. Macaroni is not Winter Red. Turkey Red is not Velvet Chaff. Now, if Senators will just remember that each of these species of wheat makes its own character of flour; that each character of flour has its own markets; that each section of the country manufactures its particular kind of flour and has its own market for that flour, the conditions will not be quite so difficult for them to understand. What we call the hard and the northern wheat is raised principally in the States of Minnesota, North and South Dakota, and eastern Montana. Those States supply the wheat that makes the Pillsbury brand of flour, that makes the several brands of flour noted throughout the land for their superiority. The mills of the Dakotas and Minnesota, and especially of Minneapolis and Duluth, and of Buffalo and Rochester, manufacture this particular hard wheat into flour for the American and the foreign markets. Their market is fixed for a given amount of product. That given amount measures the full output of the hard wheat of those States under an ordinary yield, and demands a little more than the normal product. It is because of the higher price paid for the flour made of this wheat and the rather undersupply of the grain under normal conditions that gives the farmers an average of about 10 cents per bushel better price for their wheat.

Now, why does this not apply to the 1912 crop? It does not apply, Mr. President, simply because the 1912 crop of these States was a phenomenally large crop. The 1912 crop not only fully met the demand but more than met it. For the first time, therefore, in all these years our prices have gone down to an export basis. The crop of wheat of these four States aggregated:

	Bushels.
1908	178,550,000
1909	243,194,000
1910	156,200,000
1911	144,234,000
1912	282,389,000

In other words, the 1912 crop was almost double the 1911 crop. It was more than 100,000,000 bushels in excess of a normal crop. The result is that the 1912 crop not only gave us enough of this wheat to supply the home demand, but also forced us upon an export basis. That is why we dropped down this year to the level of the Winnipeg prices, which are always prices for export.

Mr. STERLING. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from South Dakota?

Mr. McCUMBER. Certainly.

Mr. STERLING. Notwithstanding conditions in 1912, was not the mean price—that is, the price between low and high—of No. 1 northern greater throughout the year at Minneapolis than it was at Winnipeg?

Mr. McCUMBER. That is, during the year 1912?

Mr. STERLING. During the year 1912.

Mr. McCUMBER. Yes, the mean price was greater; but I want to be perfectly fair. Part of 1912 takes the 1911 crop, and the 1911 crop was short, whereas the 1912 crop does not start to move, we will say, until October. I am dealing only with that crop, the marketing of which will run on into 1913. I am speaking now of the crop raised in 1912. The prices for this crop have been practically the same in Canada and the United States, because both are on an export basis.

This, Mr. President, explains why for a single crop we have not realized the benefit of our tariff upon wheat. But, Mr. President, during the preceding 15 years we did realize the benefit. We may not have a crop like that of 1912 for another 20 years. But it is when we have our normal crop, and especially when we have an abnormally small crop, that we need the better prices, and the protection that assures those better prices.

If the tariff does us no good and has done us no good on the 1912 crop, it has given us millions upon millions of dollars of benefit, as was shown by my colleague, and as I have shown

again and again, on the crops for the 15 years preceding, and will do us just as much good on the succeeding crops.

The articles therefore in the papers not only very unjustly criticize the argument of my colleague, but are deceptive and naturally mislead the people of the State as to the real conditions and effect of this tariff on wheat and other grains generally. Reduced to the simplest form of explanation: North and South Dakota, Minnesota, and Eastern Montana have a normal crop of wheat of about 175,000,000 bushels. Under such normal conditions the demand for home consumption is greater than the production of all hard wheat raised in those States.

Under such normal conditions and with protection, the American prices are much higher than the Canadian prices for the same grade and quality of grain. This has been the condition for about 15 years preceding the 1912 crop.

The 1912 crop was 282,000,000 bushels in these States, or nearly double the crop of 1911, and over 100,000,000 above the normal crop.

This created a large surplus, which must be exported, and reduced our price down to the export price.

This abnormal crop may not be produced again. The 1913 crop will at least in my State be less than normal and we should again receive the benefit of our protection. By removing it you will keep us down to an export basis with a lean crop. Why? Because Canada will have a large 1913 crop, nearly all of which must be exported, and with free trade between the countries, though she never imports a single bushel, her crop will be there ready to dump on our market the moment prices raise above an export basis and will therefore keep them down to an export basis.

The arguments of Senators ought to be fair to the farmers of the country; and the papers of North Dakota, no matter what their political views may be, ought to be honest with the Dakota farmers and give the full truth and not the one-fifteenth part of it, and thereby invite their readers to draw conclusions which are at absolute variance with the true facts.

Why do these commentaries deal with only the 1912 crop, and thereby mislead the farmers of the Northwest with the false assumption that the present spread of prices on the 1912 crop between Minneapolis and Winnipeg quotations represents the normal condition of affairs?

Mr. President, the half truth is far worse than a whole falsehood, and if that be true, then a fifteenth part of the truth must be just that much worse than a half truth. For a dozen or 15 years the American markets have averaged about 10 cents per bushel above Canadian markets for the same grain. Why, therefore, if these papers want to give its readers the exact situation, do they so carefully conceal the figures for the past 15 years and deal with the figures that range over only a few months? Why do they refrain from mentioning all of the years when our prices were so much higher than the Canadian prices?

As against the comparative prices for the 1912 crop between Winnipeg and Minneapolis let me place tables of comparative prices of the 1911 crop between these two places.

The 1912 crop was far in excess of the normal; the 1911 was below the normal, and, I think, shows a greater advantage in the Minneapolis markets than the average advantage during the past dozen or 15 years. But during all of that period we have had a very marked advantage in the Minneapolis markets, averaging an amount as I have heretofore stated.

The tables which I am now presenting to show the true facts and to bring these papers and the Senate to a realization of the real truth of the effect of the tariff bill on the products of the States of North and South Dakota, Minnesota, and Montana, were published in the Northwestern Agriculturist of January 20, 1912. The tables emanate from Mr. A. F. Mantle, deputy minister of agriculture, Regina, Saskatchewan.

Mr. Mantle, as I understand the article accompanying the tables, took samples of grain, had them graded in Winnipeg and in Minneapolis, and in his tables he gives the grade that is given at these two points and the respective prices for those grades at such points. The method of obtaining the prices paid in both countries will give you the exact truth, because in both instances the price is based upon identically the same grain.

By glancing at the first item in the first table it will be seen that the grain that was graded No. 1 northern in Minneapolis graded only good No. 2 northern at Winnipeg, confirming my statement that the Manitoba grade of a certain designation requires a better wheat than the same specified Minnesota grade.

Senators will also note that our Nos. 1, 2, 3, and 4 northern ranged from 12½ cents to 32 cents per bushel higher than in Winnipeg, ranging all the way from nearly 13 cents to 32 cents a bushel. I am speaking now of the identical prices at both

markets; oats from 10½ to 35 cents per bushel higher, barley from 41 to 48 cents per bushel higher, and flax from 21 to 28 cents per bushel higher.

Mr. President, the Senator from Arizona [Mr. SMITH] yesterday declared that all this protection we have been giving to the farmer was simply chimerical; that it was merely a sentiment; that there was not anything in it; and he cited the fact that as he had been a farmer at one time in his life it must necessarily follow that these figures do not speak the truth.

Mr. President, I do not know what kind of grain, wheat, corn, potatoes, or what not they raise in the State of Arizona. I know that a Senator who has not lifted anything heavier than a lead pencil for the last 40 years is hardly in a position to say to the farmer, who has carried the burden of taxation for years, that he is mistaken when he declares the prices which he sees day after day and year after year on one side of the line are greater than on the other.

If the Senator from Arizona were to go up to the little town of Portal, in North Dakota, which is divided from North Portal, in Canada, only by the main street, with the British flag flying on one side and the American flag flying on the other, and find that during all this period from 1911 the range of prices for wheat was in the neighborhood of 15 cents a bushel higher on the south side of the street than it was on the north side of the street, and then reiterate his statement he made here in the Senate, and if he would stand there and see barley sold for 30 cents a bushel more on the south side of the street than on the north, flax from 25 to 30 cents a bushel more on the south side of the street than on the north side of the street, and if he would tell a farmer there that it was a mere myth, that he was not really receiving any benefit from this protection, he would immediately be hauled before a board created by the laws of our State to pass judgment on the mental status of people who refuse to recognize undeniable and palpable facts.

Mr. President, our prices have been exceedingly higher, and they will remain higher under normal conditions with protection.

Now I will present this table. It is well worth reading by those who wish to get at the truth of these facts.

Table showing the values of samples of grain of certain of the established Minnesota grades on the exchanges of Minneapolis and Winnipeg, respectively, Dec. 19, 1911.

Graded at Minneapolis.	Closing cash price, Minneapolis.	Graded at Winnipeg.	Value Minneapolis sample market.	Closing cash price, Winnipeg.	Additional value per bushel, Minneapolis.
No. 1 northern wheat.	\$1.06	Good No. 2 northern wheat.	\$1.06½	\$0.92	\$0.14½
No. 2 northern wheat.	1.04	.....do.....	1.04½	.92	.12½
No. 3 northern wheat.	1.02	Good No. 3 northern wheat.	1.02½	.85	.17½
No. 4 northern wheat.	.....	No. 5 wheat.....	1.01	.69	.32
No. 2 white oats.	.....	No. 1 C. W. oats.....	.48½	1.38	.10½
No. 3 white oats.	(2)	No. 2 C. W. oats.....	.48	.37½	.10½
No. 1 flax.....	2.12	No. 1 H. W. flax.....	2.12	1.84	.28
No. 2 flax.....	.....	No. 1 Manitoba flax.....	2.07½	1.82	.25½
No. 4 barley.....	.....	No. 3 barley.....	1.04-1.07	1.59	(2)

¹About.

²45 cents and 45½ cents.

³45 cents to 48 cents.

There are no other established or specified grades of hard spring wheat on the Minneapolis market. All other wheat is graded either "No grade" or "Rejected" and finds its level and value on the sample market. On the other hand, in Port Arthur, Canadian Northern Elevator, there was, on October 31, 1911, wheat of 54 Canadian grades.

Table showing the values of composite samples of grain of certain of the Canadian grades on the exchanges of Winnipeg and Minneapolis, respectively, Dec. 19, 1911.

[By A. F. Mantle, deputy minister of agriculture, Regina, Saskatchewan. To F. W. Eva, chief inspector of grain, St. Paul, Minn.]

Graded at Winnipeg.	Closing cash price, Winnipeg.	Graded at Minneapolis.	Value, Minneapolis sample market.	Additional value, per bushel, Minneapolis.
No. 3 northern.....	\$0.85	Rejected.....	\$0.90	\$0.05
No. 4 wheat.....	.78	.....do.....	.85	.07
No. 5 wheat.....	.69	.....do.....	.80	.11
No. 6 wheat.....	.60	.....do.....	.75	.15
No. 2 C. W. oats.....	.37½	No. 3 white oats.....	.48	.10½
No. 1 feed oats.....	1.11½	No. 4 white oats.....	.46½	1.35
No. 3 barley.....	1.59	No. 4 barley.....	1.00	2.41
No. 1 Manitoba flax.....	1.82	No. 2 flax.....	2.08	.26

¹Approximated.

²About.

The samples of wheat graded "rejected" at Minneapolis were owing to the presence of frosted or of frozen grain in the sample.

Mr. President, the fact that once or twice in a lifetime we might raise such a bumper crop in these States that our tariff becomes inoperative is no reason on earth why in all the other years, when we are sadly in need of it, we should be deprived of its advantage.

My colleague's argument was sound and an earnest plea in behalf of the interests of the farmers of the State he represents.

Mr. President, every other great country in the world seeks by its legislation to advance the prosperity of its own people, without any thought whatever of the effect of its legislation upon the people of other countries. In the broad philanthropy of the Democratic Party for the foreigner and its seeming indifference to the people of our own country we are adopting the opposite plan. If England adopts the free-trade policy she does it because she believes that her own industries will better flourish under a free-trade arrangement. She makes no careful measurement of the cost of things at home and abroad. If Germany adopts a protective policy she does so solely with a view to stimulate and protect her own industries. She enters into no refined calculations as to comparative costs of production.

We, on the other hand, lose sight of our own highest industrial interest and adopt a policy that our industries shall yield no more net profit than the industries of any other country.

And so, some years ago, impelled more by fear than by reason, we adopted a tariff policy that the protection afforded the American industries should never be in excess of the difference between the cost of production at home and the foreign cost of production. Mr. President, as a Republican I have never given my assent to that doctrine, and I never will. That doctrine may meet a theory, but it fails to meet a condition. In some instances it will be right and just; in many instances it will not.

That doctrine, resolved to its ultimate results, means that the American farmer, the American producer of all important products, shall be satisfied with a profit equal to the profit which the foreigner secures in his own country. We forget that the profit of the foreigner may go further in the support of himself and family in his own country than a like profit would in this country. Our own people have gotten used to living upon a higher and a better plane than the foreigner, and there is no reason why we should drag them down to the foreign standard.

This in turn means that the producer in this country must live as cheaply as the producer in a foreign country.

Does Germany, in fixing her tariff schedules, ever base them upon the difference between the cost at home and abroad, or does she view the subject from a practical standpoint, not a theoretical one, and make her laws conform to the practical side—the actual needs of her own people? She finds herself in this twentieth century with a population of between 60,000,000 and 70,000,000 people. She finds that she has a territory capable of producing certain things. She knows that this population must secure a livelihood in the production of those particular things and she legislates to make such production profitable. She does not ask whether it costs the people of some other country as much or more to produce than it costs to produce in her own country. Her duty is to her own people, and she is by her protection and by her favors to exports making the whole country prosperous.

We have a country in which we not only can produce certain things but almost everything necessary for the comfort, convenience, and happiness of our people. We have lands capable of producing everything in abundance to feed our people. It has been estimated by Mr. Hill that we can produce sufficient food to take care of 800,000,000 people. We have mills and factories capable of supplying everything that the people of this country need. We have nearly 100,000,000 people dependent upon the production of these industries.

If those people stay Americans, they have got to live upon American land; they have got to work in American factories; they have got to make their living out of American resources.

Our highest legislative duty, therefore, so far as legislation can do it, is to make all those industries prosperous. The American people could still live and maintain their high standard of living by an interchange of their commodities if each producer had the whole American market for his production. The people can not be prosperous if that market is to be divided equally with the foreigner. Just to the extent that the foreign product enters into our own country, just to that extent are our own products displaced, just to that extent are our markets lessened, just to that extent is the demand for our products decreased, just to that extent is our money taken out of the country, and just to that extent is our prosperity diminished.

I do not care whether it costs more or less to produce a bushel of wheat in Canada than it does in the United States.

I know there are about 33,000,000 people in this country engaged in agricultural pursuits. I know that their business is not prosperous to-day compared with other businesses. I know that if they could hold the exclusive American market their prosperity would be greatly increased, and I know that if they could hold it until such time as their production would equal the normal consumption in this country they would then be placed upon a plane of industrial equality with the rest of the United States. That is what I want. But you legislate to protect the strong rather than the weak, the prosperous rather than the unprosperous.

It is a shame, Mr. President, that agriculture can not be carried on in this country on the same lines as any other business; that the farms of the country can not be made to pay a dividend where the labor employed is hired labor.

I have farms in my own State to-day, and I can not afford to work them with the present price of American labor where I have to hire all the labor done. The profits would not pay the expense. So I have to wait year after year until some year when the conditions are ripe and I can make a reasonably good profit under protection, when the Canadian crop is held in abeyance and can not be loaded upon us.

You legislate for the manufacturer with the idea and the purpose that the owner of a factory shall be able to make a reasonable profit upon his investment and hire all the work performed in that factory. And yet it strikes you with consternation if I insist that we ought to so legislate in regard to the agricultural interests that the owner of the farm shall make a profit, a reasonable profit, above what he must pay out for labor. This thing will adjust itself if you will give the farmer the same protection that you give the manufacturer. It will adjust itself just as soon as production and consumption equal each other. You are giving the manufacturer 25 and 35 per cent upon his product. Give the farmer 25 or 35 per cent upon his finished product and things would very soon equalize themselves. When that condition arises the farmer will be able to secure such prices for his products that he can afford to pay for labor the same wages that are paid in the city. When he can afford to pay those wages, then you will have a return back to the farm. Then the city laborer will go to the farm, where the rents are cheaper and where his earnings will in the end be equivalent to what he may obtain in the congested city.

But the Democratic Party, anticipating this condition and being fearful that the American farmer shall in time rise to this plane of equality, cuts off this possibility by destroying his home market, throwing it open to the people of the whole world.

By the adoption of this amendment you would give him some protection, which would last at least until the Canadian duty on our grain would be removed; and we will pray earnestly that that Government will make the same error it did when it turned down the reciprocity pact.

Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. BRYAN (when his name was called). I am paired with the junior Senator from Michigan [Mr. TOWNSEND]. I transfer that pair to the Senator from Mississippi [Mr. VARDAMAN] and vote "nay."

Mr. LEWIS (when his name was called). I again announce my pair with the junior Senator from North Dakota [Mr. GRONNA]. Were he here, I would vote "nay."

Mr. McCUMBER (when his name was called). I again transfer my pair to the junior Senator from Maine [Mr. BURLEIGH]. I vote "yea."

Mr. THOMAS (when his name was called). I make the same transfer as heretofore and vote "nay."

Mr. WILLIAMS (when his name was called). Did the senior Senator from Pennsylvania [Mr. PENROSE] vote?

The PRESIDING OFFICER. He has not voted.

Mr. WILLIAMS. I withhold my vote, then. I have a pair with him.

The roll call was concluded.

Mr. REED. I transfer my pair with the Senator from Michigan [Mr. SMITH] to the Senator from South Carolina [Mr. TILLMAN] and vote "nay."

Mr. BANKHEAD. I am paired with the junior Senator from West Virginia [Mr. GOFF]. I withhold my vote.

Mr. SWANSON. My colleague [Mr. MARTIN] is paired with the junior Senator from Vermont [Mr. PAGE]. If my colleague were present, he would vote "nay."

Mr. CHAMBERLAIN. I have a general pair with the junior Senator from Pennsylvania [Mr. OLIVER]. In his absence I withhold my vote.

Mr. DILLINGHAM. I desire to announce that my colleague [Mr. PAGE] is necessarily absent from the Chamber this afternoon and that he is paired with the Senator from Virginia [Mr. MARTIN].

Mr. WILLIAMS. I desire to transfer my pair with the senior Senator from Pennsylvania [Mr. PENROSE] to the junior Senator from Nevada [Mr. PITTMAN] and vote. I vote "nay."

Mr. JAMES. I transfer my pair with the junior Senator from Massachusetts [Mr. WEEKS] to the Senator from Maryland [Mr. SMITH] and vote "nay."

Mr. BANKHEAD. I desire to change the announcement of my pair. I transfer my pair to the Senator from Nebraska [Mr. HITCHCOCK] and vote. I vote "nay."

The result was announced—yeas 27, nays 41, as follows:

YEAS—27.

Borah	Dillingham	McLean	Smoot
Bradley	Gallinger	Nelson	Stephenson
Brandeggee	Jackson	Norris	Sterling
Bristow	Jones	Perkins	Sutherland
Catron	Lippitt	Ransdell	Thornton
Clark, Wyo.	Lodge	Root	Warren
Colt	McCumber	Sherman	

NAYS—41.

Ashurst	James	Polindexter	Smith, Ga.
Bacon	Johnson	Pomeroy	Smith, S. C.
Bankhead	Kenyon	Reed	Stone
Bryan	Kern	Robinson	Swanson
Chilton	Lane	Saulsbury	Thomas
Clarke, Ark.	Lea	Shafroth	Thompson
Cummins	Martine, N. J.	Sheppard	Walsh
Fall	Myers	Shields	Williams
Fletcher	O'Gorman	Shively	
Hollis	Overman	Simmons	
Hughes	Owen	Smith, Ariz.	

NOT VOTING—27.

Brady	du Pont	Martin, Va.	Smith, Mich.
Burleigh	Goff	Newlands	Tillman
Burton	Gore	Oliver	Townsend
Chamberlain	Gronna	Page	Vardaman
Clapp	Hitchcock	Penrose	Weeks
Crawford	La Follette	Pittman	Works
Culberson	Lewis	Smith, Md.	

So Mr. McCUMBER's amendment was rejected.

The PRESIDING OFFICER. The question recurs on the amendment of the committee, which has been read.

The amendment was agreed to.

Mr. McLEAN. Mr. President, at the suggestion of a member of the majority of the Finance Committee, I desire to offer an amendment, and to ask to have it printed and referred to the Committee on Finance. I also offer an accompanying letter which is explanatory of the amendment.

The PRESIDING OFFICER. Without objection, it will be so ordered.

Mr. SHIVELY. To what does it relate, if the Senator please?

Mr. McLEAN. It is a mere matter of phraseology.

Mr. SHIVELY. Perhaps we can dispose of it right now. To what part of the bill does it refer?

Mr. McLEAN. On page 192, after the word "companies," in line 21, I propose to insert "or any business or manufacturing concern."

I called the attention of the Senate to the necessity of this amendment some two weeks ago. There are many very large manufacturing concerns that are neither joint-stock companies nor corporations nor associations, but are handed down from father to son and go by the family name. Under the bill they are deprived of the leeway which is given to all other manufacturing concerns which are incorporated.

Mr. SHIVELY. Are those partnerships?

Mr. McLEAN. No; not at all; the business may be carried on by one man, and the manufacturing concern only goes by his name.

Mr. SHIVELY. If the amendment can be so drawn as to absolutely distinguish such a concern from an individual, I think it should be incorporated in the bill.

Mr. McLEAN. It seemed to me that the words I have used would accomplish that purpose—"business or manufacturing concern." I suggest that the committee consider the amendment, because, unless some language which will cover the objection is adopted, it will result in great inconvenience to many very large manufacturing concerns.

Mr. SHIVELY. I think there is substance to what the Senator from Connecticut says in regard to the matter, and the committee will be very glad to take it up and consider it.

Mr. SMITH of Georgia. Mr. President, I have sent to the desk an amendment which, in behalf of the Committee on Finance, I ask to add at the close of paragraph 257, on page 77.

The PRESIDING OFFICER. The amendment proposed by the Senator from Georgia will be stated.

The SECRETARY. On page 77, the substitute of the committee has already been agreed to and an amendment was agreed to adding the words "or other suitable process."

Mr. SMITH of Georgia. The substitute of the committee has been agreed to for paragraph 257, and we wish to add at the close of it the additional sentence which I have sent to the desk.

The SECRETARY. On page 77, line 8, after the words "ad valorem," it is proposed to insert:

Plain gauze or leno woven cotton nets or nettings shall be classified for duty as cotton cloth.

Mr. SMITH of Georgia. On yesterday, Mr. President, I undertook to handle this same subject in connection with paragraph 68, but after some discussion the committee withdrew the proposed amendment. We submit this amendment to-day instead.

Mr. SMOOT. This provision covers mosquito nettings.

Mr. SMITH of Georgia. Mosquito nettings. We give them the same duty that the thread contained in them will carry.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the committee to the amendment. The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. BRANDEGEE. Mr. President, as appears on page 4556 of the RECORD, under date of September 3, I called the attention of the Senate to the question of photogelatin printing, and had inserted a part of a letter received from the Meriden Gravure Co., of Connecticut, on that subject. There was then some explanation by the Senator from Maine [Mr. JOHNSON], who was in charge of paragraph 335, one of the paragraphs dealing with the paper schedule. I have received a letter from the same company, which I shall send to the desk and ask the Secretary to read for the information of the Senate, and then I wish to make a statement.

Mr. LODGE. If the Senator will allow me a moment, I will say I received a telegram to the same purport as that received by the Senator from Connecticut in regard to photogelatin. We understood that the Senator from Maine said it came under the surface-coated papers, but I do not think it does.

Mr. BRANDEGEE. I think the subject will be cleared up a little if the letter which I have sent to the desk may be read, and then I will discuss it.

The PRESIDING OFFICER. In the absence of objection, the letter will be read as requested.

The Secretary read as follows:

MERIDEN, CONN., September 5, 1913.

HON. FRANK B. BRANDEGEE, Washington, D. C.

SIR: We have not seen the CONGRESSIONAL RECORD of yesterday ourselves but an interested friend in New York has just telephoned and read us part of the proceedings of yesterday, in which you introduced our letter to you regarding the tariff on photogelatin work. As near as we can understand the purport of the letter was overlooked, and the fact that the schedule on coated photogelatin paper had been placed at 35 per cent was offered as covering the point we raised. We therefore took the liberty of wiring you, and also Senator LODGE, who, we understand, took part in the debate, as follows:

"You misunderstand the purport of our letter. It is the finished product of the photogelatin press we are interested in. The schedule of 35 per cent on coated photogelatin paper will not help the manufactured product. It is a tariff on the printed photogelatin work; we need to hold our own with German competition."

If the writer is correctly informed, the matter as it stands will simply put 35 per cent on coated paper, which we think no people in our line of work are interested in at all, and leave the finished product out in the cold. The paper item we do not care at all about, but the finished work, or the photogelatin illustrations themselves, we are vitally concerned in.

Trust it is not too late to call your attention to this fact before the vote is taken.

Very truly, yours,

THE MERIDEN GRAVURE CO.,
J. F. ALLEN, Treasurer.

Mr. BRANDEGEE. Mr. President, the pending bill, paragraph 333, commencing on page 101, provides:

333. Pictures, calendars, cards, booklets, labels, flaps, cigar bands, placards, and other articles composed wholly or in chief value of paper lithographically printed in whole or in part from stone, gelatin, metal, or other material—

There is then a parenthesis including some exceptions—shall pay duty at the following rates.

And so forth. Then follow entirely new specifications of these lithographic prints based upon their thickness, and it adopts a rate of specific duties in relation to them. I find that the clause in the act of 1909, paragraph 412, provides:

412. Pictures, calendars, cards, labels, flaps, cigar bands, placards, and other articles, composed wholly or in chief value of paper, litho-

graphically printed in whole or in part from stone, metal, or material other than gelatin—

Then there is a parenthesis with some exceptions, and it continues—

shall pay duty at the following rates.

Then, paragraph 415 of the existing law provided:

Articles composed wholly or in chief value of paper printed by the photogelatin process and not specially provided for in this act, 3 cents per pound and 25 per cent ad valorem.

Mr. President, it is impossible for me to tell from the proposed classification based upon thickness, including the thickness of the card upon which the photogelatin engraving has been placed, exactly what the rates of these specific duties would provide as compared with the existing mixed rates consisting of a specific and an ad valorem; but I would ask the Senator from Utah [Mr. Smoot], who has the tariff notes in the large tariff handbook which was placed upon the desks of Senators, if he can give me any information upon that question.

Mr. SMOOT. Mr. President, in answer to the Senator's question, I will state that the equivalent ad valorem rate on the importation of photogelatin articles under the present law for the year 1912, is 29.61 per cent; that is, the rate of 3 cents per pound plus 25 per cent ad valorem is equivalent to a rate of 29.61 per cent.

Mr. BRANDEGEE. Now, will the Senator let me interpolate there something I wanted to say, and which I think ought to be in my statement?

Mr. SMOOT. Certainly.

Mr. BRANDEGEE. Mr. President, I omitted to state that on page 102, in line 15 of the pending bill the following language occurs:

All other articles not exceeding eight one-thousandths of an inch in thickness, 15 cents per pound; exceeding eight one-thousandths of an inch and not exceeding twenty one-thousandths of an inch in thickness and less than 35 square inches cutting size in dimension, 6 cents per pound.

The language is complicated and technical and, of course, nobody, from a superficial inspection of it, can tell anything about it. Now, I yield to the Senator from Utah.

Mr. SMOOT. Mr. President, I will begin by saying that 3 cents a pound duty on the valuation of this product imported for the year 1912 equals 4.61 per cent ad valorem; that is the specific rate changed into an ad valorem rate.

It is my opinion that the first bracket on page 102, lines 15 and 16, covers the paper upon which the photogelatin engravings are generally made; that is, I believe that the paper used in that process is not exceeding eight one-thousandths of an inch in thickness. Eight one-thousandths of an inch in thickness is the same thickness as view cards are printed upon. Therefore, I take it that the photogelatin engravings are printed upon no thicker paper than the view cards are; and, if that be the case, then it will carry a rate of duty of 15 cents per pound.

Based upon the value of the articles imported in 1912, 3 cents is equivalent to 4.61 per cent. Fifteen cents per pound is approximately five times that amount, or a rate of duty of 23.05 equivalent ad valorem; that is, if the 15 cents per pound under the pending bill is reduced to an equivalent ad valorem, based upon the value of the articles of this kind imported in 1912, it will give an equivalent ad valorem of 23.05 per cent. If the paper used for this process is thicker than eight one-thousandths of an inch, then, of course, the rate will be very much smaller.

Mr. BRANDEGEE. Well, Mr. President, in view of the statement just made by the Senator from Utah, let me call his attention to the fact that, in line 24, on page 102, the following language is found:

Providing that in the case of articles hereinbefore specified the thickness which shall determine the rate of duty to be imposed shall be that of the thinnest lithographed material found in the article, but for the purpose of this paragraph the thickness of lithographs mounted or pasted upon paper, cardboard, or other material shall be the combined thickness of the lithograph and the foundation upon which it is mounted or pasted.

Mr. SMOOT. I noticed that provision, which is a new provision; but, in my opinion, the paper that will be used for this process will come under bracket No. 1, being less than eight one-thousandths of an inch in thickness.

Mr. BRANDEGEE. I suggest to the Senator from Maine, in charge of this paragraph, that in line 15 the words "all other articles" are used, but it does not say—

Mr. JOHNSON. If the Senator will pardon me, to what paragraph does he allude?

Mr. BRANDEGEE. Paragraph 333, on page 102, line 15, where the words "all other articles" occur. Should not that be limited to "other articles of paper"?

Mr. JOHNSON. It seems to me from the context that the word "articles" could have no other meaning than to include paper. We are dealing under this paragraph with pictures, calendars, cards, and so forth.

Mr. BRANDEGEE. If it does, and if it is sufficiently plain, I have nothing further to suggest about it. Now, what does the Senator claim as to the decrease in the rates on the articles to which I have called his attention?

Mr. JOHNSON. I think the Senator from Utah [Mr. Smoot] is right, as I understood him. According to our information gelatin paper, printed, would come under the bracket "all other articles not exceeding eight one-thousandths of an inch in thickness, 15 cents per pound." Our information was that that is a reduction. Under the present law the ad valorem duty is 29 per cent plus.

Mr. SMOOT. Twenty-nine and sixty one-hundredths per cent.

Mr. JOHNSON. And we understand that our rate is a reduction of about 25 per cent from that duty.

Mr. BRANDEGEE. In the neighborhood of one-third reduction.

Mr. JOHNSON. Twenty-five per cent. That is the information that was furnished us.

Mr. SMOOT. The inconsistency of the rate lies in this: That the paper which the manufacturer has to purchase carries a rate of 35 per cent, whereas on the finished product you have only given 23.05 per cent. That is what the manufacturer is complaining of. He is not so much interested in the paper, as he states in his letter, but he does not think that there should be a rate of 35 per cent on the paper and only 23.05 per cent on the finished product.

Mr. BRANDEGEE. Mr. President, the letter which I put in the RECORD the other day states:

A large part of the paper used in this industry comes from Germany, on which the duty is 25 per cent. It surely can not be the purpose of the bill to assess raw material at 25 per cent and the finished product at 15 per cent.

The writer is mistaken about that if the Senator from Maine is correct—

Our presses are all imported under a duty, our gelatin likewise. With the tariff of 1909—3 cents per pound and 25 per cent ad valorem—we are in many lines in the closest competition with the German product. The new bill as it stands will simply hand the market over to our foreign competitors and close most of the shops in this country.

The process is of German origin, and in that country between 200 and 300 houses are engaged in it.

I will not read the rest of the letter, which was read the other day, but I want to ask the Senator from Maine, in view of the intricate character of this paragraph and the fact that this situation has arisen this morning by a telegram to me, and I have not been able to have any communication with my constituents interested in it, if he will not allow this matter to remain unacted upon as late as possible, so that I may offer an amendment?

Mr. JOHNSON. The paragraph has already been acted upon and adopted. Of course when the bill goes into the Senate, if the Senator wants to offer an amendment, opportunity will be then afforded, and I will look into the matter further.

Mr. BRANDEGEE. Very well, then. I wish the Senator would look into it, so that, if possible, he will accept an amendment if I can prepare one to his satisfaction.

Mr. JOHNSON. Mr. President, I wish to call up paragraph 651, which was passed over at the request of the senior Senator from Massachusetts [Mr. Lodge]. I have an amendment to offer for the committee to that paragraph. On page 157, line 18, after the word "pulp," I move to strike out the colon—

The PRESIDING OFFICER. The paragraph has not been read.

Mr. JOHNSON. I should like to have it read before the amendment is offered.

The SECRETARY. The paragraph was reported by the Committee on Finance with amendments. The first amendment was, on page 157, line 18, after the word "bleached," to insert the words "and rag pulp," so as to read:

651. Mechanically ground wood pulp, chemical wood pulp, unbleached or bleached, and rag pulp.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. LODGE. Mr. President, I understand that the Senator from Maine desires to offer an amendment to strike out the whole proviso following the words proposed to be inserted.

Mr. JOHNSON. That is the amendment which I wish to offer.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

Mr. JOHNSON. Now, for the committee, I move to strike out the colon after the word "pulp," in line 18, and to insert a period and to strike out the remainder of the paragraph beginning with the word "Provided," in line 18.

Mr. LODGE. Mr. President, in regard to that amendment I wish to say that I think it is just as well to do openly what the proviso as it stood permitted covertly. I pointed out, in discussing the paragraph in regard to the duties on paper, that the countervailing provisions there were nugatory, because they omitted, among the methods of discrimination employed by foreign countries, prohibition. They applied only in the case of an imposition of an export duty or license fee. I then showed, not only by the laws to which the Senator from Washington [Mr. JONES] has referred to-day, but by letters from Canadian ministers, that the policy was prohibition. They can and do prohibit the export of pulp wood, wood pulp, and everything going into the manufacture of paper, unless the people who own the land and wish to export it have a mill in Canada.

This paragraph was arranged with a countervailing duty falling only on mechanically ground wood pulp, which is imported in but small amounts from Canada, and which would have been of but little consequence.

The Senator from Washington in the amendment which he offered this morning seeking to perfect the wood paragraph covered the point of prohibition, which is the essential point, and it is needless to say that it was voted down.

The purpose of all these provisions is to transfer the business of making print paper to Canada—not merely to allow it to come in free, but to enable Canada to force the erection of paper mills by American capital on Canadian ground. That is a perfectly reasonable thing for Canada to do; she naturally would like to have all the print paper of the United States made on Canadian territory; but it is something rather new to legislate for the purpose of building up a foreign industry.

The duties imposed by all the civilized countries in the world except England are imposed with a view of benefiting the inhabitants and the industries of the particular country. England opens her market to the products of all the rest of the world on an equality with her own citizens, but she does not attempt to give to foreign producers any advantages over her own citizens. In this bill, in various clauses which I have pointed out, an advantage is given to the foreign producer by making the raw material of the industry bear absolutely a heavier duty, or a proportionately heavier duty, than the manufactured product. Of course that is almost in the nature of a bounty to the foreign producer; but in this case, in relation to Canada, it has been carried further than anywhere else.

This arrangement in regard to paper, of course, has been made in deference to the wishes of a group of newspaper publishers who have been carrying on this agitation for a long time. I think they will no doubt succeed in injuring, if not destroying, a branch of an American industry. I think they are very likely to succeed in transferring it to Canada. But I think when they have got it over the line they will find that American manufacturers on Canadian soil, or Canadian manufacturers on their own soil, are not engaged in philanthropic or charitable work, and that they will charge them, as anybody else would charge them, the highest price they can obtain.

Forces beyond the reach of tariff legislation are advancing the cost of papers made from wood pulp. The attempt to save money for certain great newspapers at the sacrifice of an American industry and its transference to Canada I am inclined to believe will fail. At the same time I think it is desirable to point out that these countervailing provisions are shams as they appear in this bill. They were drawn by people who knew undoubtedly exactly what they were doing, and they have no meaning in them. The same is true in regard to the powers of retaliation given to the President, because you will find there also that prohibition as a method of discrimination is artistically omitted.

Therefore I desire to say that I think it is more honest to drop entirely the pretense of countervailing duties which occur in paragraph 651. I think it is more honest to leave it out. It amounts to nothing, or to very little, as it stands. We might just as well abandon it and give to those who have dictated these paragraphs precisely what they are seeking.

Mr. SMOOT. Mr. President, I shall vote for the amendment offered, not because the paragraph itself is right, but because the proviso is a fraud and a sham, and in an underhanded way tries to make it appear that the authors of it wanted to be fair. It was written for no other purpose than to try, if possible, to appear consistent.

Of course this question has been a bone of contention for five or six years past. The Newspaper Publishers' Association have spent a great deal of money in bringing about this result. It is now about to be accomplished. I think perhaps it would be perfectly proper now for me to extend congratulations to Mr. John Norris upon the successful conclusion of this long fight; and the Newspaper Publishers' Association ought to increase his wage from now on, large as it has been in the past.

Mr. GALLINGER. Does the Senator think he has earned more than \$15,000 a year, which he testified he was receiving?

Mr. SMOOT. Before the committee of which the Senator from New Hampshire is a member it was testified that there was one man in the United States who would save \$600,000 if this provision should become a law, and that to another man, the publisher in New York of a paper printed in a foreign language, it meant a saving of over \$200,000 per year. When asked if the subscriber or the purchaser of his paper would receive one cent of benefit, he had to acknowledge that they would not. In fact, I will say now that my friend Norris is safe in leaving the Senate gallery, in abandoning the corridors of the Capitol, and going back to New York to-night and reporting the successful termination of the fight he has been waging for so many years.

I wish to predict, however, that it will not be many years after this great industry is transferred to Canada before the Canadian manufacturers, in connection with the American manufacturers who will be forced into Canada in order to manufacture print paper from Canadian pulp, agree upon a price for paper, and the newspaper publishers will receive no ultimate benefit from this provision. The only result will be that the paper will be made in Canada instead of this country; the profits will go to Canadian manufacturers; and the publishers are not going to be ultimately benefited through a lower price on print paper.

I shall say nothing further, but agree with the statement that was made by the Senator from Massachusetts [Mr. LODGE] as to the effect of this amendment.

Mr. HUGHES. Mr. President, I am not at all surprised that the Senator from Utah and the Senator from Massachusetts agree as to this provision. Regardless of their general attitude on the question of the tariff or reciprocity between Canada and the United States, it seems to me they must admit that inasmuch as the duties on paper have been materially decreased it hardly would have been fair to the manufacturers of paper to insist upon a countervailing duty, or any sort of legislation which might result in placing a tax upon their raw materials.

It has been urged in the other body and before our committee that in some mysterious way the levying of this countervailing duty would benefit the consuming public of the United States. I am totally unable to see why we should expect to do in the future by means of this duty what we have failed to do by it in the past.

Our retaliatory policy with reference to Canada on this subject started, as I recollect, back in 1897. I do not think anybody will contend that the relations of the two Governments with reference to this particular article have been improved since it was started, and everybody must admit that we are rapidly consuming our raw supply in this country. Nobody wishes more than I do that it were not so.

Mr. LODGE. Mr. President, if the Senator will allow me to interrupt him—

Mr. HUGHES. Certainly.

Mr. LODGE. I quite agree that under the Canadian provisions we can not import one foot of pulp wood to-day. It is not going to save one tree in our forests—not one.

Mr. HUGHES. I do not quite understand the Senator.

Mr. LODGE. If the Senator had taken the trouble to read the letters from some of the Canadian ministers which I put in the RECORD the other day, or if he would take the trouble to read the laws which the Senator from Washington read this morning, he would see that Canada prohibits the exportation of pulp wood and wood pulp. She has gone to the stage of prohibition instead of the mere imposition of duties on these things. I demonstrated it with letters from her own prime ministers of the Provinces.

Mr. HUGHES. I understand that. That argument was made before the committee. It is true that there is a prohibition in one or two Provinces, I think. Is not that correct?

Mr. LODGE. There is a prohibition in the Province of Quebec and in all the ones that have any wood.

Mr. HUGHES. That is not my understanding of the matter.

Mr. LODGE. That is absolutely the case. The exportation of pulp wood and wood for the manufacture of paper is prohibited in the whole region surrounding New England and

New York, and the Canadian authorities will prohibit it anywhere else where they find it goes. They do not mean to allow it to come into this country. There is no saving of the forests in this bill.

Mr. HUGHES. Assuming that the deplorable situation which the Senator from Massachusetts has depicted exists at the present time, would it improve it any if, in response to our retaliatory conduct, Canada should still shut off our supply?

Mr. LODGE. Canada has shut off our supply. If we did not allow her to bring in this product in the form of print paper unless she allowed us to import pulp wood and wood pulp, some of that paper would be made on American soil.

Mr. HUGHES. At the present time we are dependent upon Canada for, I think, \$29,000,000 worth of pulp and pulp wood. At least that is the amount now imported into this country from abroad.

Mr. LODGE. Wood pulp comes from Sweden and Norway, too.

Mr. HUGHES. Yes; I know it does. Fifteen million dollars' worth of it comes from the Dominion of Canada, however.

Mr. LODGE. Exactly; and that is what she has prohibited. She has entered upon that policy within a year. I read the letters on the subject. They are here in the Record.

Mr. HUGHES. What does the Senator suppose Canada is going to do with her pulp and her pulp wood?

Mr. LODGE. Why, she is going to have it made into paper on Canadian soil. She is refusing to allow wood and wood pulp to be sold to American companies and is saying to them, "If you will come on to our soil, we will give you all the wood and wood pulp you want, but you will have to make it into paper on Canadian soil." It is stated in an order of the council of Quebec that that is their purpose; and the Senator from Maine [Mr. JOHNSON], who sits by the Senator from New Jersey, knows I am stating the policy that has been adopted in Canada.

Mr. POINDEXTER. Mr. President—

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from New Jersey yield to the Senator from Washington?

Mr. HUGHES. Certainly.

Mr. POINDEXTER. I only wish to correct the assumption of the Senator from New Jersey, that these restrictions upon the exportation of wood and wood pulp operate only in two Provinces of Canada. They operate in practically all the Provinces of Canada. I read this morning the specific provisions of the Province of Ontario, the Province of British Columbia, the Province of Quebec, and the Province of New Brunswick.

Mr. HUGHES. It is impossible to decide these questions at this time. It was not claimed before our committee that more than two Provinces, as I recollect, had made this prohibition; and in my opinion no prohibition will continue. Canada will continue to do business with us, and we will continue to do business with the best customer we have.

Mr. POINDEXTER. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Jersey further yield to the Senator from Washington?

Mr. HUGHES. Certainly.

Mr. POINDEXTER. The Senator speaks about continuing to do business; and he inquired a moment ago as to the purpose of these restrictive provisions on the part of the Canadian Provinces. In response to that, all that is necessary is to read the provisions themselves. In express terms they state what the object is, and provide that the wood cut from these lands shall be manufactured on Canadian soil. That is what the law says.

Mr. HUGHES. It is not a law, as I understand. It is a license.

Mr. POINDEXTER. It is a law, Mr. President. It is a rule under executive order, made under a statute which gives it the effect of a law.

Mr. LODGE. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Massachusetts?

Mr. HUGHES. Certainly.

Mr. LODGE. They have gone even beyond the point described so clearly by the Senator from Washington. Within the year they have adopted the policy of saying squarely to American companies: "We will not allow you to export any pulp wood or any wood pulp or have any wood from our forests unless you build mills in Canada."

Mr. SMOOT. Mr. President, within the last two years there have been invested \$152,000,000 in mills for the manufacture of paper in Canada.

Mr. HUGHES. I am glad somebody is building new paper mills. It seems to be the declared policy of the Paper Trust in this country not to build mills, to starve the market, to re-

strict the output, to work only five days a week, and in every method human ingenuity can conceive to try to continue the plundering monopoly they have had for years.

Mr. CUMMINS. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Iowa?

Mr. HUGHES. Certainly.

Mr. CUMMINS. I rise to a parliamentary inquiry. What is the pending question?

Mr. LODGE. Striking out the proviso on page 157.

Mr. CUMMINS. I could not understand the argument.

Mr. LODGE. There is no use in leaving the proviso in. It is a sham and a humbug. Let it go out. It is proposed by the majority that it shall go out, but some of us want to call attention to one or two facts in relation to it.

I wish to call attention to one other fact, and that is that American companies and Americans individually who have bought lands in Canada long prior to this time are now forbidden to export wood pulp or wood unless they build mills in Canada.

Mr. HUGHES. So far as I am concerned, if everything the Senator says is true, I do not think the paper consumers of this country would be any worse off if left to the mercies of the Canadian Government in anything it can invent to their detriment than they will be if left to the mercies of the International Paper Co. It is admitted by everybody with whom I have talked that, outside of the great State of Maine, our supply of pulp wood is practically exhausted. Nobody is claiming anything else.

Mr. POINDEXTER. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Washington?

Mr. HUGHES. Certainly.

Mr. POINDEXTER. I just want to comment upon that statement of the Senator from New Jersey, which opens up a very interesting bit of information with regard to another great political question that has been before the country, and to some extent before Congress, by saying that in the Territory of Alaska we have an unlimited amount of very fine pulp-wood forests.

Mr. HUGHES. I am glad to hear that.

Mr. THOMAS. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Colorado?

Mr. HUGHES. Certainly.

Mr. THOMAS. While that is true, I should like to inquire how we can avail ourselves of that tremendous store of timber supply in view of the so-called conservation policy of the Federal Government, which regards these resources as too sacred for the use of the present generation and somewhat too sacred for the use of the next two or three succeeding generations of men?

Mr. HUGHES. Mr. President, I hope—

Mr. POINDEXTER. Mr. President, in view of this inquiry I hope the Senator from New Jersey will allow me to answer it in just a word.

Mr. HUGHES. Certainly; inasmuch as this conservation joint debate has been started I am going to let it go through. I can not do anything else. I wish, however, it had been started at another time.

Mr. POINDEXTER. I will make it very brief, so far as I am concerned. That was the other great question to which I referred; and I am not surprised that there was an immediate response from the Senator from Colorado, as he was present and heard the remark.

It seems to me that the remark of the Senator from Colorado illustrates the strange confusion of ideas that exists about this so-called conservation and the placing of the great forest of Alaska in a forest reserve. That does not shut it off from use for the making of wood pulp. The law expressly provides a method by which it can be used and the regulations under which it can be taken and used. As a matter of fact, there are dozens of sawmills sawing this wood for other purposes, such as fish boxes, at the present time. Anybody complying with these regulations, which are very reasonable, can obtain this timber for any purpose for which it is suited; and it is open to anybody who chooses to use it for the manufacture of wood pulp for paper.

Mr. THOMAS. Mr. President, I am not going to enter upon a discussion of this question. I merely wish to say that I am painfully familiar with the regulations to which the Senator refers, the operation of which, during the last year, saw 1 per cent or less of the timber reserves available for human needs, the remainder rotting and wasting away through the operation of a system which, upon its face, appears to be so fair.

Mr. HUGHES. Mr. President, there is another side of this question to be considered. Pulp wood and paper are not the only articles of commerce between the United States and Canada. The Treasury figures show that the Dominion of Canada has doubled its purchases from us within three years.

Mr. LODGE. Mr. President, I do not desire to interrupt the Senator in making a speech on our trade with Canada, as it seems an inopportune moment to do so. All I want to do is to call his attention to the fact that these countervailing duties relate alone to wood pulp and paper.

Mr. HUGHES. I understand that.

Mr. LODGE. They do not affect the general current of trade at all.

Mr. HUGHES. No, that is true; but the Senator knows, of course, as everybody must know, that it does not encourage commercial relations to slap in the face with a piece of legislation a neighboring nation with which we have a tremendous trade.

Mr. LODGE. Precisely; and Canada is encouraging it by prohibiting the export of an important commodity.

Mr. HUGHES. I simply wish to call attention to the trade we are doing with Canada outside of this particular commodity. Canada bought from us last year \$415,000,000 of goods of one kind or another as compared with \$216,000,000 in 1910. There is a growing, thriving trade with a neighboring nation. In addition to that, let me call the Senator's attention to the fact that out of 1,800,000 cords of pulp wood cut in Canada, the total Canadian cut, the United States took over 1,000,000 cords, or about 80 per cent, leaving only 20 per cent of her total cut for her own consumption. Does anybody think for a moment the Canadian Government is going to go out of its way to interfere with a neighboring nation with which it is doing such a profitable business and now has such profitable commercial relations?

I am satisfied that the Republican policy of retaliation against Canada is a failure. What will be the effect of our attempt to extend to them the hand of good-fellowship I shall not attempt to predict, because I am no more a prophet than is the senior Senator from Massachusetts. But I believe nations, to a great extent, are like individuals; and I believe our sincere effort to go on and do business with Canada should be appreciated and will be appreciated, and that Canada will continue to do business with us.

Mr. LODGE. Mr. President, if the Senator will allow me—

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Massachusetts?

Mr. HUGHES. I yield.

Mr. LODGE. If Canada has been desirous of enlarging her trade with us and has shown an unselfish and generous disposition, I have not observed it; but if our policy is to be to conciliate Canada by opening our markets and asking no return, then the Senator, in order to be consistent, should strike out the pretended countervailing duty of the paper paragraph, and should take from the President all power to retaliate on other articles where Canada discriminates, and should not allow us any chance to retaliate against Canadian discrimination, because in that way, on the Senator's theory, we shall win her trade.

Mr. HUGHES. I will say to the Senator that if I had my way—had absolute power over this legislation—I would do that very thing. I do not expect the Senator to agree with me about that, of course. I regard our ability to purchase from the Canadians as fully as much of a benefit as their ability to purchase from us. I think the right of the American people to go into the Canadian market and get what they want for what it is worth is just as big a boon as it is to permit Canada to sell it to us for what it is worth. There is not any doubt about my position on that matter.

Mr. GALLINGER. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from New Hampshire?

Mr. HUGHES. Yes.

Mr. GALLINGER. Just a word. I have had occasion a great many times to make inquiry at close range as to the commercial relations between this country and Canada. It is well known that Great Britain gives to Canada a differential of something like 30 per cent; and yet Canada finds it to her advantage to buy from the United States, largely because of the fact that we are a contiguous people, and she gets her goods more promptly; she can buy them, as it were, in person. For that reason, and not from benevolent reasons, Canada trades largely with us. Of course we want to keep that trade, and I am satisfied that we will keep it without sacrificing what we are sacrificing in this matter of paper and pulp.

As I said about this bill the other day, however, I suppose the die is cast, and we are going to surrender this great industry absolutely and forever to our Canadian neighbors. We are going to plant American mills on Canadian soil, to give employment to Canadians instead of to Americans, and surrender the contest we have had heretofore between this country and the Dominion of Canada. That is the way I look at it.

Mr. THOMAS. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Colorado?

Mr. HUGHES. Certainly.

Mr. THOMAS. On yesterday I introduced and had read an article upon this subject, and I desire to reread the concluding sentences of the article, as they relate to this particular subject:

Canada is buying from the United States very much more than China is, 20 times as much, in fact; sixfold more than Japan; and 100 per cent more than France.

All this, Mr. President, in the face of this discriminating duty of 33½ per cent favoring Great Britain as against us.

Not until the magnitude of the figures which tell the story of our increased commerce within five years with Canada were published was there a realization of the fact that our neighbor on the north is now, if cotton be left out of consideration, our best customer, and is likely to be within a few years our best customer, no matter how much cotton the South sells to the manufacturers of Great Britain and the Continent of Europe.

Mr. HUGHES. Mr. President, I was about to call attention to the fact that with the exception of the United Kingdom Canada is the best customer we have. It is amusing to think that when we speak so boastfully of our foreign trade, that so much of it is commerce with our neighbor on the north; we seem to have set out to affront in every way possible the one neighboring nation we should not affront when it comes to establishing commercial relations.

Mr. LODGE. Is it not true that this great commerce with Canada that the Senator describes so accurately has all grown up under the tariff act of 1897, and the tariff act of 1909? There had been no other tariff act since 1894.

Mr. HUGHES. Of course, that is true; and I am not going to prophesy, as Senators on the other side do, as to how much greater it would have been but for those tariff acts. But it is significant to reflect that this tremendous increase of trade with Canada has grown up without any result in harmony with the gloomy forebodings of impending evil that emanate from the other side of the Chamber when a further extension of that trade in the present bill is contemplated. As the Senator from New Hampshire said, we are going to try a new policy. I can not, of course, prophesy what the effect of it is to be, but I fondly hope and imagine that it will result as the change of relations from hostility to a state of friendliness always results among individuals.

Mr. President, just one word more in closing. Whatever the effect of this legislation is going to be, whatever different effects it will have, there will be at least one effect. It will take the consumers of print paper out from under the control of one of the worst trusts that ever has afflicted the body politic of this great Nation.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Utah?

Mr. HUGHES. Certainly.

Mr. SMOOT. Does not the Senator think that it will fall under just the same sort of a trust in Canada and that perhaps greater hardships will be administered to them than at present?

Mr. HUGHES. I do not think so. I think if we abolished all antitrust legislation and repealed all the criminal statutes it would be hard to get a body of men who would combine together and treat the consumers of the products they manufacture as this outfit has treated its consumers.

Mr. SMOOT. The Senator must know that the greatest trusts in all the world are in Germany. They absolutely control not only the output but the price of most of the manufactured articles. They control the distribution of such goods as well as the division of the profits.

Mr. HUGHES. I understand that, and I understand, too, that they operate as the result of a definite governmental policy. They are not stockholders in corporations who by their machinations put burdens on the backs of the workmen and make a hypocritical plea that the tariff exactions are made for the benefit of those who pay them, and that they are simply trustees in the form of a monopoly for the benefit of those who work.

That is one of the distinctions between monopolies in this country and monopolies elsewhere. Abroad they are permitted to monopolize certain industries, and they are permitted to

monopolize them for the general good. I think it is a mistaken governmental policy, but at least it is a governmental policy.

Mr. SMOOT. I wish to say to the Senator that I have noticed from expressions made during the discussion of this bill that foreign trusts are looked upon as a blessing.

Mr. GALLINGER. They are all good trusts.

Mr. SMOOT. And they are all good trusts, as the Senator suggests, but if a company is large enough to control a fair percentage of the goods made in the United States they are bad, and all such are very wicked, indeed.

Mr. HUGHES. The Senator can make that statement—

Mr. SMOOT. Of course I do not intend to take the time of the Senator further. I know he does not want me to do so.

Mr. HUGHES. Probably we will not agree on that subject any more than on the infinite variety of tariff subjects, but I will frankly say I am glad we will have a chance to experiment with this proposition, because I am convinced—

Mr. SMOOT. That is a good confession.

Mr. HUGHES. Yes; in my opinion. And while I see Senators smile and shake their heads sagaciously and they are amused at the statement I make, I am absolutely satisfied that the makers of this particular kind of paper in the United States can make it as cheaply as it can be made anywhere in the world. I am satisfied that no labor conditions or the fact that different wages are paid in another country and this country will in any way affect this test that we are going to make, and it will be very interesting to discover whether in opening up this trust to a fair and even competition it will not have the effect we all hope, to compel them to compete in the markets of this country upon merit and efficiency and sell their product for what it is worth.

Mr. President, I ask permission to submit in connection with these somewhat disjointed remarks certain figures with reference to imports from Canada.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and permission is granted.

The matter referred to is as follows:

IN THE MATTER OF PARAGRAPHS 330 AND 651 OF THE TARIFF BILL RELATING TO A RETALIATORY DUTY UPON PAPER AND PULP.

The senior Senator from Massachusetts proposes that the retaliatory policy against Canadian pulp wood be continued. The information furnished to the Subcommittee on Finance showed that that policy of retaliation was started in the Dingley bill of 1897. Its continuance during 16 years has tended to aggravate conditions instead of composing them. In all that period the retaliatory duties have been maintained at the expense of the consumers and for the profit of speculative holders of spruce lands in the United States. The American newspapers, which use \$60,000,000 worth of paper per annum, paid in 1912-13 a direct tax of \$278,186 because there was not enough available freehold goods in Canada or in the United States to supply their immediate needs. The details follow:

An additional duty of \$5.75 per ton upon 28,725 tons of paper.....	\$165, 168
An additional duty of \$1.67 per ton upon 19,886 tons of mechanical pulp.....	33, 209
An additional duty of \$3.33 per ton upon 23,941 tons of chemical pulp, unbleached.....	79, 804
An additional duty of \$5 per ton upon 1 ton of chemical pulp, bleached.....	5
Total.....	278, 186

All the burdens of these retaliations must be borne by the American newspaper publishers who, in 1912, paid indirectly a penalty of more than \$3,000,000 in addition to the amount of retaliatory duties paid directly. This indirect tax was due to the uniform and agreed and artificial prices which the combination of the American paper makers has continuously maintained. No print paper can be bought in the open market. American mills will not sell news print paper unless they know the destination of the paper, the purpose for which it is to be used, and the name of the buyer. They starve the market by restricting production, as is shown by their monthly reports to the Bureau of Corporations. They have kept down the stock of paper on hand at the mills to an eight-day supply for all the newspapers of the country. They have dumped paper into Great Britain at lower prices than they sell to the American consumer. The policy of retaliation against Canada fosters and helps that arrangement.

Our stores of pulp wood outside of the State of Maine have been substantially exhausted. The subcommittee believes that as the duties on manufactured paper have been lowered by the proposed bill, the duties on mechanical and chemical wood pulp entering into this paper should be removed, in order that the American news print paper makers may be better equipped for competition. During the last fiscal year, 1912-13, the American paper makers paid \$29,520,000 for pulp wood and wood pulps from abroad to make their paper. These figures were approximately as follows:

Pulp wood from Canada, 1,036,000 cords.....	\$6, 954, 952
Transportation of wood, \$3.50 per cord.....	3, 626, 000
Mechanical wood pulp from Canada, 173,000 tons delivered, at \$20 per ton.....	3, 460, 000
Chemical wood pulp from Canada, 45,000 tons, at \$40 per ton.....	1, 800, 000
Total from Canada.....	15, 840, 952
Chemical pulps from elsewhere, 342,000 tons, at \$40 per ton.....	13, 680, 000
Total.....	29, 520, 952

The senior Senator from Massachusetts is proposing that we try to force terms from a customer ranking next to the United Kingdom in value of goods bought from us. The Dominion of Canada has doubled its purchases from us within three years. Its gain last year over the previous year was \$86,000,000, a larger increase than in any earlier year. Canada paid us last year over \$415,000,000 for materials as compared with \$216,000,000 in 1910. It bought from the United States 63 per cent of all the materials it imported, taking only 37 per cent of its importations from the rest of the world. It sold to us \$120,000,000 of materials. Why should we attempt to provoke reprisals from a customer whose trade interchanges with us exceed \$535,000,000 per annum? Why punish our own consumers in order that we may make a futile effort to continue a policy that has failed after a test of 16 years? If, as is not at all probable, Canada should resent the retaliatory policy proposed by the senior Senator from Massachusetts and should cut off all our supplies of wood and pulps, amounting to 30 per cent of all the raw material of our paper manufacture, the paper industry of the United States would be prostrated. The owners of 52 paper mills are inviting this sort of warfare because they pass the burden of its cost along to the consumers, who are helpless. The price of a newspaper is fixed like that of a postage stamp, so that 22,000 publishers who use the paper can not pass it along to the reader. They must carry that burden.

Canada cut last year 1,800,000 cords of pulp wood, of which the United States took 1,036,000 cords as pulp wood and 427,000 cords as pulp, a total of 1,463,000 cords, or 80 per cent of Canada's entire cut, leaving only 20 per cent of that cut for its own paper consumption and for its exportations of pulp and paper to other countries. The fact that the paper industry of the United States had its banner year in 1912 will indicate that the American paper makers are thriving under competition, thus justifying the underlying theory of this tariff bill.

The entire area of Quebec's pulp-wood supply is 208,000 square miles, of which 200,000 square miles is Crown land, or restricted land, and 8,000 square miles, or 4 per cent of the area, has freehold wood, which may now enter the United States without restriction. Because of that limited area of freehold wood an addition of from \$2 to \$3 per cord has been made within two years to the price which American paper makers must pay for Canadian freehold wood. At the present rate of consumption by American paper makers that supply from Canadian freehold land will soon be exhausted, and as the supply diminishes there will be corresponding increases every year in the cost of that wood.

The senior Senator from Massachusetts proposes that we tax all wood pulp produced from Crown lands of the Canadian Provinces. It is obvious that our spruce forests are nearing depletion and that our water powers, which would be necessary for grinding wood into pulp cheaply, are more profitably employed in other industrial ventures. Our paper mills must buy their raw materials of pulp and wood from Canada regardless of restrictions. The fact that \$278,186 was paid last year in retaliatory duties because the wood pulp could not be obtained otherwise emphasizes the fact of our absolute dependence upon Canadian forests and upon Canadian water powers. The retaliatory duties increased the cost of materials used by the American paper maker and the consumers paid for it when the pulp was converted into paper.

With respect to the countervailing duty provided for in paragraphs 330 and 651, equaling any export tax that might be levied upon paper or pulp or wood, there is no serious objection from consumers to the continuance of that phraseology, because it applies only to Finland, which alone imposes an export tax. Neither Canada nor any of its Provinces imposes an export tax of any kind, and therefore the provision is negligible so far as it applies to them.

The American print-paper maker needs no protection. His labor cost is no greater than that of Canada. He has advantages in supplies and transportation which offset Canada's advantages on wood. The figures for each of the six years ending June 30, 1912, show that the American mills exported more than they imported. We sold more paper of all kinds to Canada than we bought from it. The figures for the fiscal year 1913 show an increase of importations from Canada because the American paper makers have refused to meet the increased demand of consumers. In the year 1911 they did not build a single paper machine, though the consumption in the United States shows an average increase of over 90,000 tons of newspaper print per annum. The largest paper maker, the International Paper Co., has built only two new paper machines in 15 years. Big mills curtailed production to allow weaker mills to get into the market.

The admission of news-print paper from the rest of the world, while helpful to consumers in serving as a slight check upon prices, would have very little influence upon the vast volume of print-paper consumption in the United States. The importation of newspaper print paper for the year 1912 from countries outside of Canada was approximately 1,000 tons, whereas the United States used 1,440,000 tons in that year. In other words, the countries outside of Canada did not furnish but seven-thousandths of 1 per cent. The newspaper print makers have used the tariff on paper as a shelter for extortion. In the six years during which publishers have been trying to free themselves from this burden they have paid approximately \$35,000,000 in excessive and artificial prices for their raw material. This calculation is based upon prices in excess of 2 cents per pound, or \$40 per ton, under normal conditions.

1908, \$10 per ton upon approximately 1,100,000 tons.....	\$11, 000, 000
1909, \$2.50 per ton upon approximately 1,180,000 tons.....	2, 950, 000
1910, \$5 per ton upon approximately 1,260,000 tons.....	6, 300, 000
1911, \$5 per ton upon approximately 1,350,000 tons.....	6, 750, 000
1912, \$3 per ton upon approximately 1,440,000 tons.....	4, 320, 000
1913, \$2.50 per ton upon approximately 1,500,000 tons.....	3, 750, 000

Total..... 35, 070, 000

It is time this oppression should be stopped.

The latest device of the paper manufacturers is to operate their mills for five days of the week in order that they may starve the market and maintain higher prices.

The American paper manufacturers have continued to operate their mills with antiquated machinery and upon primitive lines regardless of the fact that when the United States Government imposed a duty upon the manufactures of an industry under the Republican policy of protection the beneficiaries of that action were under an implied obligation to provide for the needs of the consumer by the installation of modern machinery and modern methods. The paper machines of the International Paper Co. average 21 tons per day, although modern machines are capable of producing 60 tons per day.

Mr. GALLINGER. Mr. President, I do not want to delay this discussion and am ready to vote on the amendment, but

I will venture to ask the Senator from New Jersey if it is not a fact that beyond possibly disturbing or destroying what he calls the American Paper Trust the only effect of this legislation, provided Canada does not raise the price of paper, which I think she will do, will be to benefit the great metropolitan dailies, and the ultimate consumer will get no benefit from it whatever.

Mr. HUGHES. The Senator and I differ as to what constitutes an ultimate consumer. I will say that my view on that line is somewhat peculiar, and I do not criticize the Senator for differing with me.

Mr. GALLINGER. What I meant was that in the testimony taken before the Finance Committee last year it was agreed on all hands that the newspapers would not be sold for anything less or that the advertisers would pay any less because of this legislation.

Mr. HUGHES. That may be. It is not necessarily so, I will say to the Senator. I will explain my view, if the Senator will permit me.

Mr. GALLINGER. It was admitted that Mr. Hearst would save, supposing printing paper was sold as cheaply as was expected it would be if placed on the free list, \$600,000 a year. A German newspaper proprietor also admitted that he would save \$200,000 a year. I do not think they will save it, but that is what they testified to.

Mr. HUGHES. If I am correctly informed, Mr. Hearst is opposed to this tariff bill and opposed to this free print-paper provision in the tariff bill. I am quite satisfied of that, if my memory serves me correctly. But if it be true that Mr. Hearst and his paper have taken that position, if it be true that Mr. Hearst is to save \$600,000 by the operation, that it permits Mr. Hearst to purchase news print paper for what it is worth, I am glad of it. That is my object, so far as I am concerned, in supporting this legislation. It is to compel these concerns to sell this product for what it is worth. As I said a minute ago, I am glad that there are no collateral questions, as the cost of labor, entering into this matter to any great extent.

Mr. GALLINGER. Mr. President, it is not well to reopen the general tariff discussion on this item, and I have no intention of doing it, but the same line of reasoning would lead us to the conclusion that if Americans can purchase goods of any kind cheaper abroad than here, therefore we ought to take down the bars, just as we are taking them down in this particular, and let in the foreign products.

Mr. HUGHES. The Senator himself said some time ago that he was a free trader, and I think he will agree that if free trade could be established with all the nations of the earth he would be glad to see it, and subscribe to that doctrine.

Mr. GALLINGER. Did the Senator suggest that I had ever said that I was a free trader?

Mr. HUGHES. Yes; and I myself was surprised at it.

Mr. GALLINGER. The Senator heard somebody else say that.

Mr. HUGHES. No; I heard the Senator from New Hampshire say it, and I will say that it startled me a little.

Mr. GALLINGER. The Senator surely misunderstood me, or he has confounded me with some other Senator.

Mr. HUGHES. I will say that the Senator qualified the statement.

Mr. GALLINGER. If the Senator will look at the language I used, he will find that I said that free trade is the ideal condition if it was possible to establish it, but I said it was utterly impracticable.

Mr. HUGHES. I understand the Senator; he did not leave himself in such a position that anybody could be justified in believing he was a free trader.

Mr. GALLINGER. Indeed I did not. What I meant to say, and what I said, was that if conditions were similar in this country with the conditions prevailing in all the other countries of the world as to wages and the standard of living, we would not need any tariff. That is my view, honestly held.

Mr. HUGHES. That is exactly it. But in reference to this proposition, I am assuming—and it may be a violent assumption—that those conditions are similar in reference to this particular commodity.

Mr. GALLINGER. Some of us do not agree to that. I certainly do not.

Mr. HUGHES. I say it is a disputed fact. I am not asserting it; I am just assuming it for the sake of the argument.

I will trespass upon the patience of the Senate for a minute more to define my notion of who the legitimate consumer is in various instances. We have been confronted frequently with the argument before the subcommittee that it would be useless to take 10 or 15 per cent off a certain commodity; that there

was not any reason to think that the lowering of the rate of duty would be reflected in the price to the consumer. But the ultimate consumer is not necessarily the man who buys a package of chewing gum or a package of cigarettes or a hat. For our purposes or from our standpoint, if a man gets his goods for a dollar less per dozen or per case, to that extent he is better able to carry on a profitable business. The boy who sells a box of chewing gum on the street is compelled to sell at a uniform price. If he is able to get it for less, he will make a greater profit. If he is compelled to pay a little bit more, he is affected to that extent. He may be regarded as an ultimate consumer. In this case the ultimate consumers are the newspapers of the country. Not only the great metropolitan dailies but the newspapers of the country are the ultimate consumers of free print paper. Nobody has complained that they are combined in a trust; at least I have never heard of anybody making that claim. The law of supply and demand operates on them as it will under this legislation operate upon the people from whom they buy their supplies. The law of supply and demand will operate upon them when they come to make their advertising contracts, and undoubtedly in the course of time one of the direct results of the lowering of the price of paper will be the lowering of the price for advertising.

Mr. GALLINGER. I will say to the Senator from New Jersey that I borrowed the term "ultimate consumer" from that side of the Chamber.

Mr. HUGHES. I understand. We borrowed it from your side.

Mr. GALLINGER. The term was not an invention of mine; but it is a rather startling proposition, as suggested by the Senator from New Jersey, that the merchant is the ultimate consumer.

Mr. HUGHES. In a sense he is the ultimate consumer. You may call him the penultimate consumer if you choose.

Mr. GALLINGER. That is better; but he certainly is not the ultimate consumer. I am willing that he should be called the "penultimate."

Mr. BACON. I think we can congratulate ourselves upon having at last something original in the tariff discussion.

The PRESIDING OFFICER. The question is on the amendment which will now be stated by the Secretary.

The SECRETARY. On page 157, paragraph 651, line 18, the Senator from Maine [Mr. JOHNSON] proposes on behalf of the committee the following amendment: After the words "and rag pulp," in the committee amendment just agreed to, strike out the colon, the remainder of the paragraph down to the period following the word "government," on page 158, line 16.

The amendment was agreed to.

Mr. SHIVELY. The Senator from Connecticut called the attention of the Senate a few minutes ago to page 192. I move an amendment at that point.

On page 192, line 8, I move to strike out the word "or" before the word "insurance," and in line 9, after the word "company," to insert "or any manufacturing concern."

The amendment was agreed to.

Mr. SHIVELY. On page 192, line 21, after the word "associations" and the comma, I move to strike out the word "and," and between the words "companies" and "subject," in the same line, to insert the words "and manufacturing concerns."

The amendment was agreed to.

Mr. McLEAN. I was not in when the first amendment was voted upon. Does that apply to line 9?

Mr. SHIVELY. To line 9.

Mr. McLEAN. On the same page?

Mr. SHIVELY. The same page and to the same subject matter.

Mr. THOMAS. If the Senator from Indiana is through, we can proceed with the paragraphs passed over.

Mr. GALLINGER rose.

Mr. HUGHES. I desire to inquire of the Senator from New Hampshire if he has any objection to taking up paragraph 534 at this time.

Mr. GALLINGER. That is the one I rose to ask might now be taken up and disposed of.

Mr. THOMAS. I think the senior Senator from Massachusetts [Mr. LODGE] would like to be present when it is considered.

Mr. HUGHES. It is the harness paragraph. The senior Senator from Massachusetts has no objection to the paragraph as I will propose it.

Mr. THOMAS. I merely made the suggestion because he is not present.

Mr. GALLINGER. I hope that paragraph will be proceeded with.

Mr. HUGHES. I am directed by the committee to move, on page 141, at the beginning of line 10, after the word "foregoing," in the committee amendment, to insert the words "and all other leather."

The amendment was agreed to.

Mr. HUGHES. In line 12, after the word "belting," I move to insert the word "leather" and a comma.

The amendment was agreed to.

Mr. HUGHES. In line 13, page 141, there has been a transposition in the print. I desire to have the words "tanned but not finished" transposed so that they will follow the words "skins for morocco."

The SECRETARY. On page 141, line 13, insert the last four words of the committee amendment after the word "morocco," in the same line, so as to read:

Skins for morocco, tanned but not finished, rough leather.

The amendment was agreed to.

Mr. HUGHES. I move to insert a semicolon after the word "finished."

The amendment was agreed to.

Mr. HUGHES. On page 153, line 12, I move to strike out the proviso and substitute the following—

Mr. GALLINGER. Would not the Senator yield until we complete the consideration of the leather paragraph?

Mr. HUGHES. Certainly. We have finished the leather paragraph.

Mr. GALLINGER. No; the Senator has finished, so far as he is concerned, but some of us on this side desire to be heard.

Mr. HUGHES. I meant so far as I am concerned. I will accommodate the Senator from New Hampshire. What does the Senator desire?

Mr. GALLINGER. Mr. President, I wish to call attention to a line or two in the paragraph with a view of making a suggestion concerning it. I think the Senator from Connecticut also wishes to make some observations along the same line.

Mr. HUGHES. Then I withhold the amendment on page 153.

Mr. GALLINGER. I will say, Mr. President, that I presume the amendments made on motion of the Senator from New Jersey are all proper amendments. It is proposed that leather products, including boots and shoes, shall be put on the free list, and while I shall vote against putting them on the free list, evidently they are going there. But I want to call attention to the words in line 16, on page 141, reading "and saddlery, in sets or in parts, finished or unfinished."

Mr. President, here is a metal production placed in the leather paragraph. Saddlery in sets or in parts, finished or unfinished, are not leather products, but metal products. In paragraph 376, which likewise includes harness, and so forth, saddlery in sets or parts, finished or unfinished, are evidently recognized as metals, and placed in the bill as it passed the House at 20 per cent ad valorem.

I wish to say very briefly that those words ought to be stricken from paragraph 534 and that saddlery hardware ought to be placed on the dutiable list at as high a rate, at least, as the House provided.

Mr. President, I do not know how extensive this industry is. The Senator from Connecticut probably has much more information than I have about it; but I am sincerely of opinion that the industry will go to the bad if it is placed on the free list.

I have an impression that there is only one concern in my State making saddlery in part or in whole, and the gentleman at the head of it chances to be a very warm friend of mine. Some time ago he wrote me about it, and I want the attention of the Senator from New Jersey to this letter which my friend inclosed. The letter is from Mr. H. P. Nicklin, of Persehouse Street, Walsall, England. It is dated May 3, 1913, and is addressed to the Nashua Saddlery Hardware Co., of New Hampshire. Mr. Nicklin, an enterprising Englishman, writes my friend, ex-Mayor Beason, as follows:

The proposed revision of the tariff, which, I understand, will place saddlery on the free list—

He seemed to have advance information, because it was placed on the dutiable list in the bill as it came from the House. Mr. Nicklin continues:

will doubtless lead to an increased import of English saddlery, and I take this opportunity of offering my services as buying agent, on a commission basis, in which capacity I have acted for more than 20 years for some of the most important wholesale saddlery houses in Australia and New Zealand.

Having a practical knowledge of the trade, and being intimately acquainted with all the sources of supply, both large and small, I am in a specially advantageous position to buy for you at rock-bottom prices.

I should invoice at manufacturers' prices, charging buying commission of 2½ per cent on cased goods and 5 per cent on goods which I

had to assemble and pack, and drawing on you at an agreed date, with exchange.

I shall be pleased to learn that you will give this proposal a trial, and I shall be happy to quote for any lines in which you are interested on receipt of your specification.

Mr. President, here is an industry in my State employing not a large number of men. I chance to know that the concern has made very little money; it has had a hard time to exist in competition with the English manufacturers of saddlery, notwithstanding it has had a duty under the existing law of 35 per cent. The House proposed to reduce the duty to 20 per cent, and the Senate committee proposes to put it on the free list. This enterprising Englishman sees his opportunity, and he, as I think rather arrogantly, writes to an American manufacturer that he—the American—is going to be put out of business because the product he manufactures is going to be put on the free list, and that he—the Englishman—would like to act as his agent to buy English goods, and send them to him to sell to his customers.

I do not know whether the attention of the Senator from New Jersey [Mr. HUGHES] or that of the other members of the majority of the committee has especially been called to the fact that this is not a leather product, but a metal product, and whether or not they have given any consideration to that fact.

Mr. HUGHES. Mr. President, I will say to the Senator from New Hampshire that we were confronted with this situation: Saddlery and harness are placed upon the free list. Our attention was called to the fact by an absolutely disinterested person. Nobody has taken the slightest interest in this item, so far as I have been able to discover; nobody, so far as I now recollect, has appeared before our subcommittee or before the full committee with reference to this particular item; but it was pointed out to us that even if we placed harness and saddlery upon the free list, the American manufacturer would be handicapped because in the language of the House bill placing harness upon the free list is contained the qualifying clause "wholly or in chief value of leather"; and that separate part composed of metal would have to come in under the metal schedule, thus handicapping the American manufacturer who wanted to import some part of an English harness and put it together in this country. That was the situation which confronted us.

Mr. GALLINGER. Well, Mr. President, the American manufacturer of saddles will have no difficulty in getting these parts from the American manufacturer of saddlery hardware. There will be no inhibition if the American manufacturer continues in business. What we contend for is, that it is better to protect this American industry rather than to turn the entire matter over to Great Britain, which, if this provision is to stand, is going to be the result. This intelligent Englishman sees that very clearly, and he is casting an anchor to windward, with a view to getting American trade, which he undoubtedly will get if this provision remains in the bill.

I want to express the hope that the Senator from New Jersey, if he is not prepared to expressly and definitely state his convictions at the present moment, will let this go over for the present, so that he may look into it a little further. Possibly both the Senator from Connecticut and the Senator from New Hampshire somewhat neglected their duty in not specifically calling the attention of the committee to this matter, but I thought I had done so.

Mr. HUGHES. Mr. President, I do not wish to be put in the attitude of criticizing either the Senator from New Hampshire or the Senator from Connecticut. They both spoke to me about this item at various times.

Mr. GALLINGER. In addition to that I recall that it was discussed in the Senate a few days ago.

Mr. HUGHES. I mean so far as individuals directly interested appearing, there were none that I recollect. I presume they may have communicated by mail. I do not want the Record to show that I said that these two interested Senators had not appealed to me on the subject, for they have done so a great many times.

Mr. GALLINGER. I did not so understand the Senator, and I am glad to be assured by the Senator from New Jersey that I did not neglect my duty.

Mr. President, the only point I can make now about this matter is to repeat that this is a metal product and not a product of leather. It ought to be placed somewhere in the metal schedule, and it ought to be given a duty of a greater or less amount. The other House placed the duty at 20 per cent, in contradistinction to the 35 per cent duty under the existing law. I will be glad to have that amount of protection accorded to the product, because I think that very likely that duty would

save the industry of my friend. It is not a very large industry, and I hope he may be saved the humiliation of writing to Mr. Nicklin that he will be glad to employ him at a commission to buy English saddlery hardware and send it to him to sell to his American customers.

That is all I care to say at this time, but I think the Senator from Connecticut [Mr. BRANDEGEE] has something to say on the subject.

Mr. BRANDEGEE. Mr. President, I called this matter to the attention of the Senator from New Jersey the other day when I offered an amendment, to be pending, and asked that it be considered in connection with the amendment which he said the subcommittee had under consideration in relation to the leather schedule. The amendment which I sent to the desk and had referred to the Senator's committee, to which I called his attention, I now offer.

In paragraph 534, on page 141, at the end of line 17, I move to insert the words "except harness and saddlery hardware," and on page 117, paragraph 376, to reinsert the language that has been stricken out or to insert "harness and saddlery hardware, 20 per cent ad valorem."

I do not care particularly whether the rate of 20 per cent ad valorem is distinctly mentioned there or whether it is left to come in under paragraph 169, referred to by the Senator from New Hampshire [Mr. GALLINGER] as being the paragraph putting 20 per cent ad valorem on articles or wares not specially provided for in this section, being composed of the enumerated list of metals; but I will simply offer it in the form in which I have proposed.

Mr. President, I wish the Senator from New Jersey would consider this amendment. I have no desire to force it to a vote now. I know perfectly well, as we all do, that as to any amendment that comes in here, if the Senator at the time in charge of the bill on the majority side calls upon his party friends to vote the amendment down, they will vote it down; and it is only when they agree to an amendment that we can hope to remedy the situation.

I want in the beginning to call attention to the fact that this is not a reduction in duty per se. This comes about by a reclassification or a transferring of an article from one schedule to another. This, as the Senator from New Hampshire has well said, is a metal product. It is harness and saddlery hardware. It has nothing whatever to do with leather. It is just as much entitled to a protective duty as is any one of the metals enumerated in paragraph 376. If the duties imposed in that paragraph upon metals are not imposed for purposes of protection, but for purposes of revenue, this is just as legitimate an article on which to raise revenue as any other. It is one of the metals indicated. There can be no difference between this metal product and the metal products upon which a duty of 20 per cent is imposed.

Mr. GALLINGER. Mr. President, will the Senator permit me to interrupt him?

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from New Hampshire?

Mr. BRANDEGEE. Certainly.

Mr. GALLINGER. On yesterday I telegraphed my constituent, an ex-mayor of our second city, asking him precisely what the product was that he made. His telegram comes to me, "We make saddlery hardware only." So it has nothing whatever to do with leather.

Mr. BRANDEGEE. Yes; of course, these things depend upon technical definitions, anyway. Most people have a general idea of what the word "saddlery" means, but I doubt very much if many of us could define it accurately as known to the trade. Saddlery hardware is a different thing from saddlery. Saddlery is a more comprehensive term, but hardware that goes into saddles and hardware that goes into harness is nothing but the metal products, and should no more, in my opinion, be classified under the paragraph that controls the duty upon sole leather and leather goods than it should come in under the paragraph about earthenware or plain glass or anything of that kind. It is a perfectly irrelevant matter.

What called my attention to this subject was a letter which I received from a constituent of mine in New Britain, Conn., where almost every variety of hardware is made. This house has selling offices in New York, Chicago, St. Louis, and San Francisco, and I think is quite a large establishment known as the North & Judd Manufacturing Co. I see at the head of their paper that they make the Anchor brand of harness hardware. I want the Secretary to read the letter which the gentleman writes me.

The PRESIDING OFFICER. The Secretary will read as requested.

The Secretary read as follows:

NEW BRITAIN, CONN., August 6, 1913.

HON. FRANK B. BRANDEGEE,

United States Senate, Washington, D. C.

DEAR SIR: This to acknowledge and thank you for your favor July 26. I am pleased to note that you will prepare an amendment to be inserted at the end of paragraph 534 making an exception to harness and saddlery hardware which will take this product off the free list and throw it automatically into the basket clause of the metal schedule, paragraph 169, where it will carry a duty of 20 per cent ad valorem. This amendment would seem to provide reduction sufficient to satisfy the advocates of "downward revision," since the effect would be a reduction of over 40 per cent from the present duty of 35 per cent (1909 tariff, par. 461).

Very truly, yours,

NORTH & JUDD MANUFACTURING CO.
H. C. NOBLE, Treasurer.

Mr. BRANDEGEE. Mr. President, I wish to address my remarks particularly to the Senator from New Jersey [Mr. HUGHES], because I know there is no use of talking on this subject unless I have his ear.

It is evident from that letter that the company that makes this harness hardware has grown up in New Britain and has quite an extensive business. Under the existing law they have a duty of 35 per cent ad valorem. This proposition absolutely reduces that duty 100 per cent; it cuts it entirely off, and transfers the articles to the free list. Of course they can not compete with the British and German makers of metal saddlery and harness attachments, and it simply singles them out for discrimination.

The reason that I appeal with some hope to Senators on the other side of the Chamber upon this question is that it simply "makes a goat" of that metal industry as distinguished from other metal industries. I do not ask any better treatment for them than the committee has conceded to other similar manufacturing concerns; I do not ask the committee or the Democratic Party to give a protective duty to them if they do not believe in that principle, but they have placed upon exactly similar metal products a duty of 20 per cent, and I think they ought to be at least consistent in the raising of their revenue. They claim and admit that the duty of 20 per cent upon metal products is for revenue purposes, and why should they not raise revenue from the imported articles of harness and saddlery hardware?

I do not care to press the matter further. I can not say anything more than I have said, if the mere statement of the case does not impress the committee. If the Senator has made up his mind so that it can not be changed, I will ask for a vote upon the amendment now, just to make the record; but if the Senator would comply with my suggestion that he consider it, I should like to defer the vote upon it.

Mr. HUGHES. Mr. President, I should like to have the paragraph acted upon, and then I will be glad to take up the suggestion of the Senator from Connecticut with the other members of the committee who have been here listening to the debate, and we can recur to it if there is a disposition on our part to recede.

I will state to the Senator that the reason why it was deemed necessary to put harness hardware on the free list was that harness and saddlery were placed upon the free list and we were confronted with this difficulty. Every time you free list eo nomine a finished article, everything that enters into the making of that article has to be considered. Sometimes it is found possible to take all the duties off the various component materials, and sometimes it is not. Sometimes it seems not to matter much whether you do or not. All sorts of inconsistencies may be discovered in investigating a given proposition of that kind; but I think, in so far as possible, when you put a finished article on the free list eo nomine you ought also to put everything that enters into the making of that article on the free list.

Mr. GALLINGER. Mr. President, I quite agree with the Senator on the general proposition, but yet the articles that follow the transfer of a general product to the free list are similar productions, as a rule.

It pleases me to say that no Senator on the other side has been more kindly and considerate to those of us on this side who have had little matters we wanted adjusted than has the Senator from New Jersey, and I am gratified to learn that the Senator will talk with his associates upon this subject. I am hopeful that, if no change is made in the Senate, when the matter goes to conference it will be given consideration. The discussion has been had. We have presented our case as best we could; we have presented it fairly; and I am quite willing, if the Senator from Connecticut is, that the paragraph should now be agreed to, with the understanding that it will be given some further consideration by the Senator from New Jersey and his

associates; and I will indulge the hope that what the Senator from Connecticut and I ask will be granted.

Mr. HUGHES. I will be very glad to consider it, and I will be very happy to have that disposition made of it.

Mr. LODGE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Massachusetts?

Mr. LODGE. I desire to say a word about this paragraph before it is disposed of, but I do not care to interrupt the Senator from Connecticut.

Mr. BRANDEGEE. Then, I will complete my statement, although it makes no difference to me who proceeds at this time.

So far as I am concerned, I am willing to let this paragraph be agreed to, with the hope that the committee will consider it, and that possibly the conference committee, if we can not get relief here, will take it up. It is the best we can do, Mr. President.

Mr. HUGHES. Mr. President, I will say that I will make an investigation of the subject. The only interest that I have considered, so far as I am concerned in this matter—and the Senator from Maine [Mr. JOHNSON] and myself had considerable to do with it—is the interest of the manufacturers of harness and saddlery, who are placed in the position of having harness and saddlery put upon the free list and saddlery hardware put upon the dutiable list at 20 per cent. It may be that this is one of the cases where that does not make any particular difference. There are many cases of that kind. If competition is free and untrammelled in this country, it may be that the manufacturer can buy his metal here as cheaply, or practically as cheaply, so far as his purposes are concerned, as he can import it, or it may be, as in the case of boots and shoes, that, getting the leather free, he may be able to pay a tax upon some other material and still meet foreign competition; but that is the question, and the only question, which presented itself. As I have said, however, I shall be glad to consider the matter, and I hope that the disposition which has been suggested may be made of it at this time.

Mr. BRANDEGEE. Mr. President, in view of the last few words uttered by the Senator from New Jersey, I take the liberty of stating—and I think it is important—that as to the part which is allowed to be imported at the same rate of duty as the completed product, the part is of the same material and substance as the thing itself.

The peculiar language of this paragraph—"harness, saddles, and saddlery, in sets or in parts, finished or unfinished"—allows a man to import as parts of harness two or three tons of buckles and rings, which are entirely metal, but which are parts of harness and useful for no other purpose. It is not a question of bringing in the parts and assembling them into the completed product in this country. Under this language they can be imported free and sold separately to the people of the country, if the importer wants to do so, and he does not need to put them to harness at all. It affects an entirely separate factory. The factory which makes the leather harness does not make the metal parts at all. The latter is an entirely different business, located frequently in different parts of the country, and involving an entirely different process of manufacture; and yet by this language, which I do not think is intentional, but was simply inserted because the point had not been sufficiently emphasized to the committee in the hearings. Under this language the product of factories making metal parts of harness is put on the free list—the entire duty is cut off—while other factories right in the same town making similar articles out of the same metals are enjoying 20 per cent protection, as we regard it; or, as the Senator from New Jersey would regard it, they are collecting 20 per cent revenue from the competitive product of one and not collecting anything from the competitive product of the other.

Mr. LODGE. Mr. President, I believe the modifications, which I was shown I think this morning by the chairman of the subcommittee, have been adopted in the wording of the amendment, have they not; that is, inserting the words "tanned, but not finished skins for morocco"?

Mr. HUGHES. They have been adopted by the Senate, as I understand, so that the paragraph will stand as I showed it to the Senator from Massachusetts.

Mr. LODGE. Yes; the Senator showed it to me this morning. I think that is a great improvement in the wording and puts beyond doubt any question there might be as it now stands.

Mr. President, this paragraph involves the boot and shoe industry, which now and always has been one of the great industries of my State. We are the greatest producers of boots and shoes in the country, and the welfare of that industry is of the utmost importance to us.

I do not propose to discuss the question of a duty upon boots and shoes. The present tariff law imposes 10 per cent, which is no more than a revenue duty; and I do not know why this product, a finished product, should be selected to be placed on the free list, except with the idea that it may be a popular change. The duty certainly is very low. There are some of our manufacturers who believe that, with economies in various directions and with some reductions to be made, they can meet fair competition under the terms of absolute free trade. I think they are building too much on the old conditions which existed for so many years in the boot and shoe industry of the United States.

We made the great inventions in shoe machinery. When we operated them under patents through those machines and the skill of the American workman the boot and shoe industry of the United States needed no protection, and never asked for it. Its product went into all the markets of the world. Since then the patents have expired, and the shoe machinery invented in the United States is now made in Europe by an American company, is set up under American supervision, and European operatives are taught by the agents of the machinery company in its use.

Mr. SHIVELY. Mr. President—

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Indiana?

Mr. LODGE. Certainly.

Mr. SHIVELY. If the Senator will allow me just there, do not the statistics of our export trade in boots and shoes for the last year show a constant and growing increase in our export of boots and shoes, notwithstanding the use of American machinery abroad?

Mr. LODGE. That is perfectly true. I was coming to that point in a moment. The advantage we had through our machinery has gone; the advantage that we always possessed in the superior skill of our workmen remains in part; but the gap between our workmen and those of Europe is rapidly diminishing.

We still have certain marked advantages in the manufacture of the better grades of boots and shoes. Our shoes are better standardized. We have, perhaps, 150 shapes and sizes in certain lines of shoes where the foreign competitor will have only 5 or 10 or 20. We have an export trade in boots and shoes of the finer kinds, and it has been growing, not rapidly, but it has been growing steadily.

Where I fear competition is coming in our own market and where I think our shoe industry is going first to suffer by the removal of the duty is in the manufacture of the coarser grades of boots and shoes, the very cheapest, heaviest, and coarsest, such as are worn by the men who work and who buy a coarse, strong shoe. I may be mistaken; I hope I am; but I think that a great risk to the industry is being taken in removing what was merely a revenue duty.

I desired to make this statement simply because I wished it to be known to those who are interested in the subject why it was that I did not discuss at length and fully the paragraph affecting one of the three great industries of my State and one of the great industries of the country. It is for that reason that I make the explanation, not only on my own behalf, but on behalf of my colleague [Mr. WEEKS], who has, unfortunately, been called away by serious illness in his family.

Mr. GALLINGER. Mr. President, in behalf of a great industry in my own State—that of the manufacture of boots and shoes—I desire simply to say that I agree with what the Senator from Massachusetts [Mr. LODGE] has said. Much solicitude is felt as to the result of placing boots and shoes on the free list, but it is evident that any persistent opposition on our part to the decree of the committee would be fruitless, and so we yield to the inevitable.

Mr. CUMMINS. Mr. President, I offer the following amendment—

Mr. HUGHES. I should like first to have the committee amendment acted upon, if that is in order.

The PRESIDING OFFICER. That is the regular order.

Mr. CUMMINS. I am perfectly willing that that should be done. I had supposed that that had been done.

Mr. SHIVELY. Let us first dispose of the committee amendment.

The PRESIDING OFFICER. The committee amendment will be stated.

The SECRETARY. In paragraph 534, page 141, line 3, after the numerals "534," it is proposed to strike out, "All leather not specially provided for in this section and leather board or compressed leather; leather cut into shoe uppers or vamps or

other forms suitable for conversion into boots or shoes," and to insert:

Sole leather, leather board or compressed leather, grain, buff, and split leather, all dressed upper leather including patent, japanned, varnished or enameled upper leather and shoe-lining leather, all of the foregoing and all other leathers for boot and shoe manufacturing purposes; leather cut into vamps or other forms suitable for conversion into boots or shoes; belting leather, harness and saddle leather, leather waste, skins for morocco tanned but not finished, rough leather.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

Mr. POINDEXTER. As I followed the reading of the amendment by the Secretary, it is not the same as the amendment printed in the bill.

Mr. HUGHES. I will say to the Senator that there have been some amendments adopted to the committee amendment.

Mr. POINDEXTER. It is not the same as printed in the book, then?

Mr. HUGHES. No.

The amendment was agreed to.

The SECRETARY. On page 141, line 16, before the word "parts," it is proposed to insert the word "in."

The amendment was agreed to.

The SECRETARY. On line 17, after the word "unfinished," it is proposed to strike out the comma and the remainder of the paragraph and insert a period.

The amendment was agreed to.

Mr. HUGHES. As I understand, the Senator from Connecticut [Mr. BRANDEGEE] withholds his amendment?

Mr. GALLINGER. I will take the liberty of saying in behalf of the Senator that the amendment will be withheld.

Mr. SHIVELY. Mr. President, I am directed by the committee to submit an amendment, in line 21, page 109, by striking out "one-fourth" and inserting "three-eighths."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. In paragraph 355, page 109, line 21, it is proposed to strike out "one-fourth" and insert "three-eighths."

The amendment was agreed to.

Mr. SMOOT. That raises the duty to 6.33 per cent; that is all?

Mr. SHIVELY. It will be not to exceed that.

Mr. SMOOT. Yes.

Mr. SHIVELY. If the Senator will observe, the present rate, which is three-fourths of 1 cent per 1,000 matches, amounted to an ad valorem rate of 10.27 per cent on the basis of the importations in 1912. This reduces that rate one-half, so that probably it will be less than 6 per cent ad valorem.

Mr. SMOOT. That is as I understand it. I asked that it be changed the other day.

Mr. WORKS. Mr. President, I offer an amendment—

Mr. HUGHES. If the Senator from California will permit me, I should like to call his attention to the fact that I have an amendment pending at the desk which I do not think it will take any time to act upon. Then I have another committee amendment which I am very anxious to dispose of, because I am holding up the income-tax provisions of the bill until that is done.

Mr. WORKS. I shall be very glad to give way to the Senator.

Mr. HUGHES. I thank the Senator very much for permitting me to get this off my mind.

The VICE PRESIDENT. The amendment submitted by the Senator from New Jersey on behalf of the committee will be stated.

The SECRETARY. In paragraph 629, page 153, it is proposed to strike out the first proviso, beginning in line 12, and to insert the following:

Provided, That the cans, boxes, or other containers of tea, lacquered or printed by any process of lithography whatever, packed in packages of less than 5 pounds each, shall be dutiable at the rate chargeable thereon if imported empty.

Mr. SMOOT. I should like to ask the Senator why he limits the particular coverings?

Mr. HUGHES. It has been brought to my attention, and has been stated, that a practice has grown up of bringing in fancy and valuable articles as alleged containers of tea and then throwing the tea away or paying no attention to it except using it for the purpose of enabling fancy containers to be brought into this country without paying the duty which otherwise would be levied upon them. The object of this amendment is to permit ordinary tea containers to come in without the payment of any duty, but lacquered or lithographed fancy tea containers will be dutiable at the same rate that would obtain if they were imported empty. That is the object.

Mr. SMOOT. I am fully aware of the evil practice that is spoken of by the Senator, and I fully agree with him as to the desirability of putting a stop to it; but what I thought as I

caught this amendment was that it was limited to just one class of coverings. I know of certain instances where tea has been imported here from Canada in the most valuable of cases, worth three or four times what the tea was worth. I know that the Senator desires that such cases should be covered, and I wondered whether the amendment really did cover them. For that reason I was going to ask that it be stated again.

Mr. HUGHES. I desire to call the Senator's attention to the fact that there is administrative language which deals with this subject generally.

Mr. SMOOT. Yes.

Mr. HUGHES. I feel quite satisfied that that, in conjunction with the language sent to the desk, will bring about the desired result.

Mr. SMOOT. May the Secretary read the amendment once more?

The VICE PRESIDENT. The amendment will be again stated.

The SECRETARY. On page 153, in line 12, it is proposed to strike out the first proviso in the House print and insert:

Provided, That the cans, boxes, or other containers of tea, lacquered or printed by any process of lithography whatever, packed in packages of less than 5 pounds each, shall be dutiable at the rate chargeable thereon if imported empty.

Mr. SMOOT. It seems to me that if that amendment is adopted it will apply only to containers of tea that are lacquered or printed, and I do not believe that is what the Senator really wants to do.

Mr. HUGHES. Yes; I will say to the Senator that that is just exactly what I want to do. I think the other language will prevent the free importation of containers which obviously are not intended for the transmission of tea. But there is a close line so far as lacquered and lithographed containers are concerned. A great many of them have been shipped in as tea containers, and it seems that the general administrative law is not strong enough to cover the matter.

Mr. SMOOT. I will look at the general administrative feature of the bill, and if that is the case I have no objection.

Mr. HUGHES. I should be very glad if the Senator would permit me to have this amendment agreed to, and I will take up the matter with him at any time.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

Mr. HUGHES. Just one further amendment, and then I will be through. I call up paragraph 358, on page 111—the fur paragraph.

I will say that I have given some attention to the suggestion made by the Senator from Utah [Mr. SMOOT]. I took up the question that he raised with reference to furs not further advanced than dyeing in order to discover what there might be in his suggestion. I am informed by the authorities at the port of New York that it has been held by the customs authorities that the language with reference to repairs, which, as I understand, is left out of the proposed law but is contained in the present law, is ignored by the customs authorities, on the ground that it seemed it was sought to apply it only to skins which had been injured in the operation of removing them from the animal. Even if repairs were made upon those skins, it was held that they were still not so valuable as perfect skins, and that they should not receive any additional or advanced classification of duty. I have been assured by the gentleman who handles these goods at the port of New York that the present language is amply sufficient for his purposes.

Mr. SMOOT. Mr. President, the trouble with that is that the practice at the port of entry has not been as suggested by the Senator. The Senator knows that there are furs dressed on the skin, not further advanced than dyeing, that get torn perhaps in the handling, and before they are shipped into this country they are repaired. If they were not repaired, of course they would not be received at the port of entry.

When a case of that kind was brought before the general appraisers they held that the repairing of the fur put it into the second bracket, as manufactures of fur; and they actually put upon fur of that kind a higher duty than they did upon perfect fur. It was for that purpose, and that purpose only, that I suggested adding the words "or repairing." I am quite sure that the words will not hurt anything.

Mr. HUGHES. Was it the Senator's suggestion to make it read "furs dressed on the skin or repaired, not advanced further than dyeing"?

Mr. SMOOT. I will read it to the Senator just as it will read if my amendment is adopted:

Furs dressed on the skin, not advanced further than dyeing or repairing.

Mr. HUGHES. I will say to the Senator that I misunderstood the purpose and object of his amendment.

Mr. SMOOT. That is all I desired to accomplish, and I cannot see that it will in any way affect the rate.

Mr. HUGHES. I will accept the Senator's amendment. I do not know where I got the other notion in my head.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 111, line 7, after the word "dyeing," it is proposed to insert "or repairing."

The amendment was agreed to.

Mr. HUGHES. Has the paragraph been read?

The VICE PRESIDENT. The paragraph has been read.

Mr. HUGHES. I have one further amendment to suggest. On page 111, line 23, by direction of the committee, I move to strike out the numerals "15" and insert the numerals "20."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. In paragraph 358, page 111, line 23, it is proposed to strike out "15" and insert "20."

Mr. SMOOT. I understand this amendment places those particular fur skins at the same rate as the present law, 20 per cent?

Mr. HUGHES. Yes.

Mr. SMOOT. And that there will be no objection on the part of the hatters if that is done?

Mr. HUGHES. No; I understand it is satisfactory to everybody concerned. This item produces a revenue of about \$90,000 a year.

The amendment was agreed to.

Mr. WORKS. Mr. President, I offer an amendment, which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 277, after line 20, it is proposed to insert the following:

That a permanent commission is hereby created and shall be known as the Tariff Commission, to be composed of nine members, who shall be appointed by the President, by and with the advice and consent of the Senate. The commissioners first appointed under this act shall continue in office for the term of 3, 4, 5, 6, 7, 8, 9, 10, and 11 years, respectively, from the 1st day of January, A. D. 1914, the term of each to be designated by the President, but their successors shall be appointed for terms of 10 years, except that any person appointed to fill a vacancy shall be appointed only for the unexpired term of the commissioner whom he shall succeed. Any commissioner may be removed by the President for inefficiency, neglect of duty, or malfeasance in office. No person shall be eligible for appointment as a commissioner under this act who has been elected or served as a Senator or Representative of the United States. Not more than four of said commissioners shall be members of the same political party. Said commissioners shall be selected for their knowledge of the questions involved in the matter of arriving at and fixing just rates of tariff in its various branches and schedules. No vacancy in the commission shall impair the right of the remaining commissioners to exercise all of the powers of the commission.

Each commissioner shall receive a salary of \$10,000 per annum, payable in monthly installments. Said commission, as soon as qualified by taking the oath of office, shall without delay meet for organization in the city of Washington, in the District of Columbia, and shall elect one of its number to be chairman and one of its number to be vice chairman. It shall appoint a secretary and such other employees as it may find necessary to the proper performance of its duties and fix the compensation of each. Until otherwise provided by law the commission may select and rent suitable offices for its use, and shall have authority to procure all necessary office supplies. The expenses of the commission, including necessary expenses of transportation incurred by the commissioners or by their employees under their order in making any investigation or upon official business in any other place than the city of Washington, shall be allowed and paid upon presentation of vouchers therefor approved by the chairman of the commission. The principal office of the commission shall be in the city of Washington, where its general sessions shall be held, but whenever the convenience of the public or the commissioners may be promoted, or delay or expense prevented thereby, the commission may hold its sessions in any part of the United States; it may also, by one or more of the commissioners or its employees, prosecute any inquiry necessary to the performance of its duties in any part of the United States or in any foreign country: *Provided*, That not more than three members of said commission shall be absent from the United States at one time.

Said commission is authorized and directed to fully investigate and inquire into the rates of tariff now imposed by law and provided for in this act, the justice or injustice thereof, and the changes necessary to fairly adjust such tariff rates as hereinafter provided. Said commission shall divide the tariff into proper schedules covering articles of a like or similar kind, and shall so adjust the rates as to reasonably protect all legitimate industries of whatever kind in this country from unjust, oppressive, or injurious foreign competition and at the same time furnish the necessary revenue for carrying on the affairs of government and to prevent the imposition of such tariffs as will protect the industries in this country not needing protection or such as will destroy legitimate and fair competition on the part of products of foreign countries. To that end the commission shall as nearly as possible ascertain the difference in the cost of producing articles of the same or substantially the same quality and kind in this country and in competing foreign countries, and shall ascertain in connection with the several articles affected by the rates to be fixed the wages, the hours of service, the efficiency of labor employed, the standard of living of such laborers, and generally the cost of production of such articles in this country and abroad, and the cost of transportation, respectively, in this and foreign countries of such articles or products to the markets of this country. It shall also ascertain the cost of raw material, the cost of labor, the fixed charges, depreciation upon the true value of the capital invested, and all other items necessary to determine the true cost of the finished product, and also the market conditions and the prices at which protected productions of the United States are sold in

foreign countries as compared with the prices of products sold in the United States, and the effect of transportation rates upon the markets and prices of dutiable products, the relation between Government revenues and tariff schedules, and so far as practicable make an investigation of all questions and conditions relating to the agricultural, manufacturing, mining, commercial, and labor interests with reference to the tariff schedules and classifications of the United States and foreign countries. Said commission is authorized to call upon any department or officer of the Government for any information in the possession of such department or officer and relating to any subject matter under investigation by the commission, and it shall be the duty of such department or officer to furnish such information. It shall be the duty of said commission, upon petition or upon its own initiative by one or more of its members, from time to time to hold hearings at such places as it may designate to determine industrial, commercial, and labor conditions in relation to the tariff; and any person desiring to be heard before said commission shall upon proper notice and request therefor be fully heard upon any matter to be affected by the establishment or change of tariff rates. The commission shall, whenever practicable, give at least 10 days' public notice of any and all hearings; and at any such hearings, whether undertaken upon the initiative of the commission or upon petition or request, any person may appear before such commission and be heard or may be represented by attorney and may file any written statement or documentary evidence bearing upon any matter it may have under investigation; and all such hearings shall be public, except that in case of any witness examined as to any secret process used in the production of any article the commission may take the testimony in regard thereto in executive session, and the same shall not be reduced to writing nor made public. The commission shall, upon such investigations being made, present such tariff bills as it may agree upon, based upon the principles above set forth, to Congress for its action, and Congress shall take up and consider such bills as may be reported from said commission. The said commission shall accompany the bills proposed by it with a full transcript of the evidence taken by it at the hearings it may have held, and also a full report of its proceedings and conclusion with respect to the rates provided for in such bills. Congress may ratify or change the rates so fixed and agreed upon by said commission or reject the same in toto; and if the same shall be rejected, further investigation and report shall be made by said commission; and if any subsequent investigations are for any reason called for, the commission shall recommend to Congress from time to time any changes or additions that in its judgment should be made to any bill relating to the tariff that may have been enacted by Congress.

Said commission, for the purpose of determining what articles shall be placed upon the dutiable or free list and the rates of tariff to be established by law, or for any other purpose necessary to the proper carrying out of this act, is authorized to require of any person, firm, copartnership, corporation, or association producing any such article or articles, the production of the books, papers, contracts, agreements, invoices, inventories, bills, and documents of any such person, firm, copartnership, corporation, or association, and make any inquiry necessary to a determination of the value of such property or the proper rate of tariff to be fixed with reference thereto. It is also authorized to require by notice or subpoena the attendance and testimony of witnesses and the production of all books, papers, contracts, agreements, inventories, invoices, bills, and documents relating to any matter pertaining to any investigation it may make. Such attendance of witnesses and the production of documentary evidence may be required at any place in the United States, at any designated place of hearing, and witnesses shall receive the same fees as are paid in the Federal courts. In case of failure to comply with such a notice or subpoena, or in case any person, firm, copartnership, corporation, or association shall fail to comply with any of the requirements of this act the commission shall make a report to Congress of such failure, specifying the names of each person, the individual names of such firm or copartnership, and the names of the officers and directors of each such corporation or association guilty of such failure; and such report shall specify each particular in which said person, firm, copartnership, corporation, or association has failed to comply with such requirements, and shall also specify the article or articles on the dutiable list produced by such person, firm, copartnership, corporation, or association and the tariff schedule which belongs to each such article. The commission shall ascertain whether any persons, firms, copartnerships, corporations, or associations engaged in the production or sale of any dutiable article cooperate by agreement or other arrangement of any kind to control production, prices, or wages in the United States or to control prices in any foreign market, and whether any person, firm, copartnership, corporation, or association owns or controls such a proportion of any dutiable product as to enable such person, firm, copartnership, corporation, or association to control productions, prices, or wages in the United States or to control the price of such product in any foreign market.

Said commission shall provide rules and regulations for the conduct of its business. The testimony of any person taken before said commission shall be taken under oath, and each of the said commissioners is hereby authorized to administer oaths to such witnesses.

The commission shall make annual reports to Congress of its investigations and recommendations, together with the testimony and information on which such recommendations are based, and such special reports as it may deem advisable. The testimony and information so reported shall be accompanied by a complete topical digest or analysis and by a topical index of all the testimony taken during the period covered by the report. Said report, with the accompanying testimony, report, and digest, shall be printed as a public document. The annual report shall be published and ready for distribution on the first Monday in December of each year. At all times during the sessions of Congress said commission shall be on duty in the city of Washington for the purpose of furnishing information and advice to Congress.

Mr. WORKS. Mr. President, I am not going to take up the time of the Senate in making a speech in support of this amendment. It presents a question that is perfectly familiar to every Member of the Senate. It would be little better than a crime, it seems to me, to take up the time of the Senate under existing conditions in an effort to support an amendment without hope of accomplishing something in that way.

I only wish to say that for a long time I have been earnestly in favor of the establishment of a permanent tariff commission. I think it is absolutely necessary to the fair and just levying of tariff rates. If I had ever had any doubts on the subject, they would have been dispelled by the experiences we have had here

during this summer in the attempt to formulate the bill which is now before the Senate.

I am going to ask for a yea-and-nay vote upon the amendment without taking up the time of the Senate with discussion.

The yeas and nays were ordered.

Mr. SUTHERLAND. Mr. President, I am in entire sympathy with the proposed amendment. I think, as the Senator from California has said, that the debate on this bill has illustrated the absolute necessity of a tariff commission. I intend to vote for this amendment, but I desire to say before casting my vote that I do not wish to have it construed as an indorsement of the amendment in all its details. There are some details of the proposed amendment that I should want to change if I had any expectation that it would be agreed to.

Mr. THORNTON. Mr. President, I have always been intensely in favor of the principle of a tariff commission to assist Congress in getting the data that would provide for a more scientific tariff than I think we have ever yet had. I so stated to the Legislature of Louisiana at the time I was elected.

I voted for the tariff-commission bill that was offered here two years ago, being one of the five Democrats who voted for it. I am always ready to vote for a tariff commission, provided an opportunity has been given to provide for one in a bill that I consider properly drawn. I do not say that that has not been done in this case, but I do not think there has been proper time given for consideration of the matter.

For that reason, and for that reason only, while expressing my thorough sympathy with the proposal to create a tariff commission, I shall vote against the amendment.

Mr. LEWIS. Mr. President, before the roll call proceeds I should like to be indulged in this observation:

I do not assume to speak for the committee, to whose ability the eminence of its members certifies in this respect. But for those Democrats who live in the zone for which I do assume to speak, our vote against the proposition presented by the distinguished Senator from California is to indicate, not our objection or opposition to some such creation at a proper time, but that it shall be done by a separate bill, in a separate organization, and not encumber the tariff bill, which should be free from all encumbrance not necessary to its execution.

Mr. WILLIAMS. Mr. President, I wish to express briefly my objection to a tariff commission. I think, in short meter, it is simply protectionism reduced to a science. Therefore I do not see how Democrats can support it.

The VICE PRESIDENT. The Secretary will call the roll on agreeing to the amendment of the Senator from California [Mr. WORKS].

The Secretary proceeded to call the roll.

Mr. BRYAN (when his name was called). I have a pair with the junior Senator from Michigan [Mr. TOWNSEND], and therefore withhold my vote.

Mr. STERLING (when Mr. CRAWFORD's name was called). My colleague [Mr. CRAWFORD] is necessarily absent. He is paired with the senior Senator from Tennessee [Mr. LEA]. If my colleague were present and at liberty to vote, he would vote "yea."

Mr. LEWIS (when his name was called). I must again announce my pair with the junior Senator from North Dakota [Mr. GRONNA], and thereby am restrained from voting.

Mr. MARTIN of Virginia (after having voted in the negative, when Mr. PAGE's name was called). I desire to withdraw my vote. I voted inadvertently. I am paired with the Senator from Vermont [Mr. PAGE] on this vote.

Mr. THOMAS (when his name was called). I make the same transfer as heretofore announced, and vote "nay."

The roll call was concluded.

Mr. LANE. I desire to announce that my colleague [Mr. CHAMBERLAIN] is necessarily absent from the Senate and that he is paired with the junior Senator from Pennsylvania [Mr. OLIVER].

Mr. JAMES. I have a general pair with the Senator from Massachusetts [Mr. WEEKS]. I transfer that pair to the Senator from Nebraska [Mr. HITCHCOCK] and vote "nay."

Mr. McCUMBER. I have a general pair with the senior Senator from Nevada [Mr. NEWLANDS]. I understand that he has not voted. Therefore I transfer my pair to the junior Senator from Maine [Mr. BURLEIGH] and vote "yea."

Mr. TILLMAN (after having voted in the negative). I have a general pair with the Senator from Wisconsin [Mr. STEPHENSON]. He has not voted, and I withdraw my vote.

Mr. LEA. I am paired with the senior Senator from South Dakota [Mr. CRAWFORD]. If I were at liberty to vote I would vote "nay." I understood that the senior Senator from South

Dakota would not leave before to-night, but I am informed that he has already left the city.

Mr. REED. I am paired with the Senator from Michigan [Mr. SMITH]. I can not obtain a transfer and therefore withhold my vote.

Mr. BACON (after having voted in the negative). I am informed that the senior Senator from Minnesota [Mr. NELSON] has not voted.

The VICE PRESIDENT. He has not.

Mr. BACON. I withdraw my vote, for I have a general pair with him.

The result was announced—yeas 32, nays 37, as follows:

YEAS—32.

Borah	Colt	La Follette	Poindexter
Bradley	Cummins	Lippitt	Root
Brady	Dillingham	Lodge	Sherman
Brandeggee	Fall	McCumber	Smoot
Bristow	Gallinger	McLean	Sterling
Cañon	Jackson	Norris	Sutherland
Clapp	Jones	Penrose	Warren
Clark, Wyo.	Kenyon	Perkins	Works

NAYS—37.

Ashurst	Martine, N. J.	Shafroth	Swanson
Chilton	Myers	Sheppard	Thomas
Clarke, Ark.	O'Gorman	Shields	Thompson
Fletcher	Overman	Shively	Thornton
Hollis	Owen	Simmons	Vardaman
Hughes	Pittman	Smith, Ariz.	Walsh
James	Pomerene	Smith, Ga.	Williams
Johnson	Ransdell	Smith, Md.	
Kern	Robinson	Smith, S. C.	
Lane	Saulsbury	Stone	

NOT VOTING—26.

Bacon	Culberson	Lewis	Smith, Mich.
Bankhead	du Pont	Martine, Va.	Stephenson
Bryan	Goff	Nelson	Tillman
Burleigh	Gore	Newlands	Townsend
Burton	Gronna	Oliver	Weeks
Chamberlain	Hitchcock	Page	
Crawford	Lea	Reed	

So Mr. WORKS's amendment was rejected.

Mr. SIMMONS. Mr. President, we started out on a definite plan and we have deviated far from it. The amendment that we have just voted upon is an amendment to the end of the bill. The understanding upon which we started out was that we would take up first the paragraphs of the bill which had been passed over at the request of particular Senators and dispose of those paragraphs, and then, if there were any additional amendments proposed by the committee, we would consider those amendments.

I ask unanimous consent—and I hope it may be done; I think it is in the interest of time, certainly it is more orderly—that we now return to the practice we started out to follow and that we have deviated from.

Mr. WORKS rose.

Mr. SIMMONS. I see the Senator from California rising. He must not understand that I am criticizing him at all, because others have done it. He has not been the first one.

Mr. WILLIAMS. Does the Senator propose that we shall begin with the income-tax provision?

Mr. SIMMONS. No; when we drifted afield we had reached paragraph 654, which was passed over at the request of the senior Senator from Massachusetts [Mr. LODGE]. I ask that we begin there and take up in their order such paragraphs as have been passed over at the request of Senators. That is the regular order.

Mr. SUTHERLAND. Before that is done, will the Senator from North Carolina permit me to call his attention to a provision in the administrative part of the bill which I think ought to be considered by the committee? It will take only a moment.

Mr. SIMMONS. If it is something that the Senator desires to call the attention of the committee to, of course, I think it is proper to do it now, so that we may have the time to give it the consideration that he asks it should have.

Mr. SUTHERLAND. The provision to which I call attention is on page 274, subdivision T. That subdivision undertakes to repeal the act of August 5, 1909, being the Payne-Aldrich Act, and after doing that this proviso follows:

That nothing in this act shall be construed—

And I omit a portion—

Mr. SIMMONS. The Senator will pardon me; we have anticipated that and we will bring in an amendment to that provision which I think will probably meet the view he has.

Mr. SUTHERLAND. I do not know that the Senator knows what provision I am calling attention to.

Mr. WILLIAMS. The Cuban treaty provision?

Mr. SIMMONS. No; that is not the provision.

Mr. SUTHERLAND. Not at all.

Mr. SIMMONS. I beg the Senator's pardon for interrupting him. I will let him complete his statement.

Mr. SUTHERLAND (reading)—

Provided, That nothing in this act shall be construed to repeal or in any manner affect the following numbered sections of the aforesaid act approved August 5, 1909, viz: Subsection 29 of section 28 and subsequent provisions relating to the establishment and continuance of a Customs Court.

That is as far as I desire to read.

Mr. SIMMONS. What line did the Senator begin to read on?

Mr. SUTHERLAND. I began to read on line 22, and after omitting a phrase I concluded the reading on line 4 of page 275.

Mr. SIMMONS. I was about to state to the Senator that we are going to propose an amendment, after the word "act," in line 23, adding "or in section 2862 of the Revised Statutes."

Mr. SUTHERLAND. I am referring to the Customs Court, and if the Senator would hear me I think he would have a better understanding of what I am trying to get at.

Mr. SIMMONS. Very well.

Mr. SUTHERLAND. Rather than attempting to anticipate what I am going to say.

The provision of this section is first to repeal the whole of the Payne-Aldrich Act, which includes section 29. Section 29 of that act created the Customs Court, provided for its jurisdiction, fixed a salary of \$10,000 each for the members of it, and generally dealt with the subject matter.

Section 29 of that act was revised in the Judicial Code which was adopted in 1911 and became of force January 1, 1912. Section 29 above quoted was put into a chapter by itself, consisting of 12 sections—chapter 8.

In some particulars that I do not now recall section 29 was altered. For example, section 29 provides for a salary of \$10,000 a year for each of the members. The provision of the code is that they shall receive \$7,000 a year. The effect of chapter 8 of the code is to substitute its provisions in place of section 29, and this would operate as a repeal of section 29.

Now, this bill proceeds upon the theory that section 29 is still in force, and it amounts to an expression at least of an opinion upon the part of Congress that section 29 is still in force, and to that extent amounts to an expression of opinion that those provisions of section 29 which differ from the provisions later enacted in the code are still in force. It seems to me that all reference to section 29 ought to be omitted.

Mr. SIMMONS. Mr. President, I desire to apologize to the Senator. I think I owe it to him to do so. I thought when he began he had reference to a part of the section which related to oaths. I find he had reference to another part of it altogether. I will say to the Senator that the committee will take very great pleasure in looking into the matter which he has very kindly brought to our attention.

Mr. SHIVELY. Has the Senator from Utah [Mr. SUTHERLAND] an amendment to submit in relation to that matter?

Mr. SUTHERLAND. It occurred to me that the proper amendment would be to omit all reference to subsection 29.

Mr. SHIVELY. I only inquired whether the Senator would formally offer an amendment.

Mr. SIMMONS. I ask that the Secretary read paragraph 654 and that the committee's amendment be adopted.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 159, paragraph 654, the committee proposes to strike out all of that paragraph as printed in the House bill and to insert a new paragraph 654, reading as follows:

654. Paintings in oil or water colors, pastels, drawings, and sketches in pen and ink or pencil or water colors, etchings, engravings, lithographs, and sculptures which are proved to the satisfaction of the Secretary of the Treasury under rules prescribed by him to have been in existence more than 50 years prior to the date of the importation, but the term "sculptures" as herein used shall be understood to include professional productions of sculptors only, whether round or in relief, in bronze, marble, stone (terra cotta), ivory, wood, or metal; and the word "paintings" as used in this paragraph shall not be understood to include any article of utility nor such as are made wholly or in part by stenciling or any other mechanical process. And the words "etchings" and "engravings" as used in this paragraph shall be understood to include only such as are printed by hand from plates or blocks etched or engraved with hand tools, and not such as are printed from plates or blocks etched or engraved by photo-chemical or other mechanical processes.

Mr. LODGE. Mr. President, this paragraph should properly be considered in conjunction with paragraph 658, because those two paragraphs cover the whole subject of works of art and their introduction into this country without duty. In the last tariff bill, after a struggle which had lasted many years, we succeeded in embodying in the Payne-Aldrich Act a provision that paintings and sculptures should come in free if they were more than 20 years old. We also embodied a provision that other works

of art should come in free of duty if more than 100 years old. The second provision was a wholly new one. The House of Representatives have pursued the same enlightened policy, as I regard it, with reference to works of art. They took the provision in regard to works of art other than paintings and sculptures and reenacted it as it stood in the Payne-Aldrich law. They went even further than the Payne-Aldrich law in regard to paintings and sculptures, for they took off entirely the time limitation. I believe the attitude of the House of Representatives in these respects was in the highest degree to be commended; and I wish to say, in justice to the Democratic Party in the past, that such has been their uniform attitude.

I call attention to one or two statements on this subject. In 1857 Judah P. Benjamin, then a Senator from Louisiana, said in the Senate:

I think we ought by every means in our power to put before our people such objects of art as shall elevate their taste. So far as American artists are concerned, I have no doubt that the free introduction of articles of this kind will benefit the native artists by inducing a taste for articles of this kind which is now lamentably deficient in our country.

And free art was embodied in the act of 1857.

In 1861 Stephen A. Douglas said in the United States Senate:

I believe it is the policy of all nations to encourage the introduction of works of art. * * * I wish we could get a model of every work of art, a cast of every piece of statuary, a copy of every valuable painting and rare picture, so that our artists might pursue their studies and exercise their skill at home.

Mr. Wilson, of West Virginia, the author of the tariff bill of 1894, embodied free art in his bill and spoke for it in the House of Representatives. Senator Vest, of Missouri, I think at that time, but certainly in a speech which I recall on this subject—and a very fine speech it was—said:

The greatest peoples of the whole world have been those who were practical and who at the same time were devoted to art and sculpture. * * * I shall by every vote and word of mine encourage sculpture, painting, music, literature, and all that makes our human life better.

Senator Bayard also said in debate:

Nothing is so expensive to the people of the country as a revenue obtained at the loss of their intellectual advancement and education.

In April, 1906, ex-President Cleveland said:

On every ground the United States should not only permit but affirmatively encourage free art.

I make these quotations simply to show what has been the uniform attitude of the Democratic Party on this question; and I say without hesitation and with regret that the resistance to free art in the past has, in the main, come from the party to which I have always belonged. Personally, I have always labored to put all works of art upon the free list, and I confess that I was greatly gratified when I saw the position taken by the present House of Representatives. I was more than greatly astonished when I saw the amendment suggested by the committee of the Senate, for on this question the Senate hitherto has been, I think, more liberal and more civilized than has been the House of Representatives.

In this bill the Senate has raised the time limit on works of art. The House put no time limit; the Senate has put 50 years, which is 30 years more than the existing law. The Senate committee has also stricken out the clause providing that works of art other than paintings and sculptures shall come in free if more than 100 years old and has put in a provision which practically nullifies the intent of that section.

The objection that is always made to their free admission, Mr. President, is that these works of art are the purchases of rich men who can afford to pay the duty and who ought to be taxed on the enjoyment which they receive from the works of art which they buy; but it seems to me that in the interest of the public at large that is a very shortsighted policy. We ought to encourage the importation by individuals of works of art of all kinds. In the end they all find their way to the public museums. The statement which I understood the Senator from Colorado [Mr. THOMAS] to make the other day that our millionaires brought works of art from the museums of Europe, where the public could enjoy them, is a mistake. Works of art are never taken or bought from the public museums of Europe; they can not be. The works of art which have been brought here by our millionaires have been bought from private collections which have been occasionally opened on card to people who were interested, but they have all come from sources which were not within the public reach abroad; and sooner or later, as I have said, here, as in Europe, great paintings as well as statuary slowly find their way into the museums and become the property of the public.

I was interested not long ago in finding in a little publication which appears in Washington called Art and Progress a series of views and some account of the art museums that have been established in this country.

I was amazed at the number and at the distribution of these institutions. There was one, as I recall, at Fort Worth, Tex., certainly in one of the Texas cities. Not only was the building an extremely good one architecturally, but there were many interesting works of art in it. That is but an example of the art museums which are being started all over this country, not merely in the great cities, but in the smaller cities and towns. They absorb sooner or later, as do the greater museums, all the works of art that come within their reach.

In this country works of art find their way from private to public ownership much more rapidly than is the case in Europe, for the simple reason that we do not have, and never have had, in this country the large family estates, and the great houses which descend from generation to generation under the law of entail, and which carry with them all their contents. As a rule, here, on the death of any rich man who has made a collection of pictures, they may be divided among his children, but most of them find their way to the museum of some city.

I do not believe, Mr. President, that unless Senators have taken the trouble to go to some of these great museums, as I have done very frequently in New York and Boston and here, on the free days—and most of the days are free—and especially on Sunday, and looked not at the works of art there collected, but watched the people who come to those museums and pass hours there, they can appreciate the popular interest in this matter.

Take the great Metropolitan Museum of New York, of course the largest and finest in the country, and soon to equal, if it does not now, the best museums of the Old World. I have seen that museum on a Sunday afternoon filled with people, a large part of them people of the very poorest classes, families, including children, who would pass hours there, which might be spent in a much less desirable way. There is nothing, in my judgment, which affords such pleasure to the masses of the people as the great museums thrown open to them without money and without price.

I do not recall the number of people who visit the Metropolitan Museum of Art in New York in a year, but the Senator from New York [Mr. Root] tells me it is 800,000. I know in Boston the number is in the neighborhood of 600,000. To all those people museums of art are not only a pleasure and a gratification, but they are a means of instruction, of elevation, of improvement. Children can not be taken to these great museums and see the collections of the art of the world, beginning with the solemn and imposing figures of Egyptian sculpture, and coming down through all the perfect beauties of Greek sculpture and the sculpture, the paintings of Italy, of Holland, of Spain, and of France, without carrying away an education and an improvement and a joy in life which I believe nothing else can give.

At this moment a portion—a very small portion—of the collection of pictures of Mr. Morgan fills one room in the Metropolitan Art Museum. The whole of that great collection of pictures will be there in a short time. A wing is being built to cost, I believe, some \$700,000, which will contain not the great collections which Mr. Morgan had already given in his lifetime but the wonderful collection of pictures which now comes to the museum since his death. That wing is being built by the public money of the people of New York, so highly do they esteem the value of this great gift for the benefit of all the people of that city, and, indeed, of the whole country. In that single room which I have mentioned there are gathered now pictures which would be an honor to any museum in Europe, pictures of the very first order. They have been all bought by Mr. Morgan, a man of great wealth and great generosity and public spirit, and they have all passed into the possession of the people of the United States.

I think, Mr. President, that it is the greatest possible mistake to do anything to discourage the importation of works of art. In the second paragraph to which I have alluded, works of art which are not paintings and sculpture include tapestries, all over 100 years old, carvings in wood, and articles of household decoration, coming down from the past centuries, in which are innumerable lessons for our builders and our furniture makers to learn. It seems to me, as was so well said by Senator Vest, that—

The greatest peoples of the whole world have been those who were practical and who at the same time were devoted to art and sculpture.

We are an eminently practical people, and American art and architecture have advanced with enormous strides in the last 25 years. We should do everything to encourage it. I think the amendments proposed by the Senate committee are a distinct discouragement; I think they are a step backward, a retreat in what should be the onward march of civilization. I

wish that the Senate would consent to accept the provisions of the House bill.

Certainly, if it is conceivable that there should be party feeling on a question like this, the Democratic House can be trusted to sustain Democratic principles; but, Mr. President, this surely is something that rises far above politics and party lines. This is the cause of art, of beauty, of all that is most inspiring and best in our life on earth.

When we look back over the past and consider what has lived and what has died, what is it that remains to us from all those great civilizations which have gone before and grown dim among the shadows of the past? Their art and their literature. The battles and the wars of the Greeks are of no moment to-day except to the lover of history, but the thought, the literature, the poetry, the drama, and the art of Greece are the greatest inheritance of civilized man.

It is the same with the art of other people. The rich merchants of Venice have vanished forever, but the art of Titian remains to-day as beautiful and inspiring as ever. The works of material civilization perish and disappear, but the works of imagination, the works of beauty, remain. We are the heirs of that great inheritance. Surely we ought to carry it on and not barter it away for the sake of a few dollars at the custom-house.

Here we have this vast and growing people. I think it is our duty, looking not at to-day in the hope, perhaps, of gathering a little revenue—far more expensive than any expenditure we could make—but looking at it in the broad vista of time, in the interest of civilization and education, to open the doors to the gathering in this country of all the great monuments of art which we can possibly secure.

Mr. President, I have made this plea before. I have striven to make it for many years when my own party was charged with the work of preparing revenue bills. I make it again; and I sincerely hope that the Senate, which has almost always been in the advance and in the lead hitherto, will not now take a backward step, but will stand with the House in making an even more liberal provision, in opening the doors even wider to the works of art of the past and of the present than was done in the last act or in any previous act upon the statute books of the United States.

Mr. THOMAS. Mr. President, I do not care to take the time of the Senate in adding anything to what I said the other day upon this subject. It is proper, however, that before a vote is taken I should say that I cordially agree with every word that has just fallen from the lips of the distinguished Senator from Massachusetts; and I think every Senator in this body is at one with him as to the educational value of art, its great benefits to the general mass of the people, and the deplorable consequences of depriving them of the opportunity to see and drink in the beauties of these wondrous creations and to be elevated and idealized by their uplifting influences.

We are not interfering with that spirit or placing any embargo whatever upon its exercise. What we are seeking to do is to enlarge it and to make it universal, and enable every picture, every piece of statuary, every antique, and every tapestry, if you please, which has that educational value to contribute to that end.

We do propose, if we can, to place some limitation upon that modern spirit which finds ostentatious expression in gathering together for private collections these priceless heritages from the past, and not only to give the 800,000 men and women and children of New York the opportunity which they possess with the galleries which there are public and which they can visit, but to enlarge those galleries as far as possible.

When the multimillionaire of the land imports such objects for the purpose of gratifying his personal vanity, and simply ministering to the desire to obtain things of priceless value that he may exercise over them his own sovereign dominion, limiting the enjoyment of their beauties to the selected few from time to time and denying to the public the inestimable benefit of their presence, we say he should pay the Government something for it.

That is all there is about it; that is the only difference between us. I firmly believe that this measure, as we have prepared it, will serve to enlarge the collections of our public galleries and prove a benefit instead of a burden to the spirit of love of beauty which has been so eloquently voiced by the distinguished Senator from Massachusetts.

Mr. ROOT. Mr. President, I desire to add to the enumeration of distinguished Democrats who have spoken in the Senate in favor of most liberal treatment of art a reference to the admirable and noble speech made by the senior Senator from South Carolina [Mr. TILLMAN] during the debate upon this subject four years ago, an expression which, if I remember cor-

rectly, had the sympathy and the adherence of a majority of the Democrats of the Senate. I know he has not changed his view and I hope the majority of the Democratic Senators have not changed their views.

The Senator from Colorado agrees with the motive to which the Senator from Massachusetts has referred, but I do not think he appreciates how serious an obstacle to the fruition of that motive would be the provision he advocates. I look at it from the point of view of the museum, from many years of active interest in the conduct of the museum; and I know that the one way in which an American museum secures a great body of works of art for the education and the pleasure of the public is by having works of art come here.

We never get a picture or a statue or an engraving or any other object of art from anyone who has possessed it in Europe. So long as these articles remain on the other side of the Atlantic they never come to us. Once brought into our own country they soon find their way to the general public use.

The man who has made the collection, as a rule—not as an exception, but as a rule—when he comes to the close of his career finds that practically the only thing he can do with it to gratify his interest in the objects he has collected, to insure that the collection, for which he has the affection of a collector, shall be useful, shall be preserved, and perhaps his name continued with it, is to give it to the museum of his own city. It is in that way, sir, through the gifts of the paintings and the sculptures and the works of art generally which have been brought here by individual Americans, that the museums all along, from one ocean to the other, in all our considerable towns, have been built up and are being built up year by year.

It is not alone in the great cities that these museums are found. The museums in the cities of the second order of size—cities like Buffalo, Cleveland, Detroit, and Cincinnati—are worthy of the highest commendation and admiration; and they have grown up from the possession by Americans on this side of the Atlantic of the articles which make a museum.

While if you are going to look at the transaction with a microscope, the argument of my friend from Colorado [Mr. THOMAS] would be applicable, that when a particular man who has the means to buy some paintings brings them in he should pay a tax upon them, because they are for his benefit; still when you come to the large view of public policy the imposition of such a tax is a hindrance to the development of the art of America, and it is checking the stream that has been flowing into America for the benefit of all our people.

Mr. President, I should like to state definitely exactly what the situation is as to this legislation, comparing the present law, which was enacted four years ago, the Payne-Aldrich law, with the bill as it came from the House and the bill as it is reported by the committee of the Senate.

Under the Payne-Aldrich law paintings, sculptures, engravings, etchings, and similar articles which are more than 20 years old are admitted free. Other works of art more than 100 years old are admitted free. Under the pending bill as it came from the House paintings, sculptures, engravings, etchings, and so forth, are admitted free whether 20 years old or not—that is, the age limit is taken off—and other works of art are admitted free when more than 100 years old. That is to say, the House bill enlarged the provisions of the present law regarding paintings, sculptures, and so forth, and made them more liberal, and kept the provision as to other works of art. The bill as reported by the committee goes back, and instead of liberalizing the Payne-Aldrich provision as to paintings, sculptures, and so forth, it fixes the limit at 50 years instead of 20 years, and entirely repeals the provision regarding other works of art. So the House has liberalized the Payne-Aldrich bill, and the Senate committee has narrowed it and made it less liberal.

This is not a question of logical reasoning about what ought to be and what ought not to be. It is a question of the working of human nature. The House provision is going to contribute to the building up of our museums and put at the service of all our people, fully and freely, the inestimable privilege of seeing the works of art of all times and all lands. The provision reported by the committee is going to put a serious obstacle in the way of building up our museums and in the way of securing those benefits for our people.

Mr. President, I suppose we ought to think of something besides the merely material things which are necessary for life. I think we all recognize that. In all the wonderfully liberal provisions of our legislation in regard to education we realize it. It is certainly true that the happiness of a people does not depend merely upon having sufficient food and clothing and shelter. After all that, what is there to make a people happy? What can there be beyond the material things and beyond the con-

solutions of religion to make life more happy for the millions of people of slender means in our country than opportunity and encouragement for the cultivation of taste, than to enable them to bring up their children with capacity for receiving pleasure from the countless works of genius which it is possible for us to set before them?

Mr. President, I think no one can observe the poor people of some of the European countries—France, for instance, is a notable example—without realizing that the poor people are happy largely because they love everything beautiful, because in all about them in nature and in art they find the means to gratify their taste for beauty. The greatest happiness in life comes from things not material. It does not come from eating and drinking and wearing fine clothes; it comes from the elevation of character, from the love of beauty gratified, from the many influences that ennoble mankind.

I think we have no higher duty, sir, than by our legislation to promote the opening to Americans of every opportunity to secure these means of happiness. I feel certain that the narrowing of these provisions by the Senate committee will be an injury to the people of the United States and that the liberal policy of the House will be a great and lasting benefit to them.

Mr. LODGE. Mr. President, the Senator from New York referred to the speech made on the 12th of June, 1909, by the Senator from South Carolina [Mr. TILLMAN], who is still, I am glad to say, a Member of this body. It is very short, and I ask that the Secretary may be allowed to read it.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Secretary will read as requested.

The Secretary read as follows:

Mr. TILLMAN. Mr. President, in this debate it has not been my good fortune to be very often found indorsing the views expressed by the Senators from New York and Massachusetts. But on this question I feel bound to say, in a humble and modest way, making no pretense whatever of being an art connoisseur, that if that poet who told us that "a thing of beauty is a joy forever" told the truth, this is not the place where the American Senate should display a niggardliness, a narrowness, and a penny-wise-and-pound-foolish policy.

The contemplation of beautiful paintings and statuary by even the most ignorant person must exert an elevating and refining influence. Many a boy has become inspired to do likewise, has had his soul enthused and his mind fired with the ambition to become a painter or a sculptor, by seeing great works of art.

I had the misfortune last year to become very ill, and I was ordered to Europe as a means of relaxation and rest. I had the opportunity to visit the great art galleries of Florence, Paris, and London, to say nothing of the smaller ones in other cities where I sojourned briefly. While I did not get as enthusiastic over some of those things as other people seemed to be, I saw enough to convince me that the American people can afford to encourage the importation of some of those masterpieces, something that we can get as a means of elevating the thought and inspiring the artistic genius of our people.

Therefore I for once in this debate, as I said, feel anxious to see the gates thrown wide open and every opportunity offered for wealthy Americans, who have been made rich as they are going to be made rich by this very bill, to bring in works of art. If you want to whack these multimillionaires, cut out some of the special privileges you are giving them elsewhere in the getting of money; but if they want to bring anything from abroad here which is worth while, let us let them do it. They will in time die out and an art gallery will become, in all probability, the legatee of their collections.

I noted in London that a half dozen of the finest collections were donated to the public by private individuals who had spent a lifetime and a fortune, or two or three fortunes, in collections such as are no more to be gathered together on the globe, because they have scoured the four corners of the earth almost to get these curios and artistic gems which have been given to those people; and they are the greatest treasures in London to-day.

When we consider that a painting is imperishable if it is cared for—that is, for several centuries at least, and no one hardly knows how long a well-cared-for painting will last—we can understand how it is impossible that these multimillionaires will not add to the stock of artistic wealth in this country, and in time they will increase the artistic genius of our people by merely having their galleries accessible. Many of these rich people are liberal enough to allow their art galleries to be visited by the public on given days, and others have loaned their masterpieces to this or that public gallery.

As I said, if you want to be hard on these rich people and want to make them do this, that, and the other, let us cut out some of the methods by which they get this money, but let us allow them to spend it to bring as many great and glorious works of art to America as possible.

Mr. LODGE. I also ask leave to print in my remarks a statement from the American Free Art League in regard to paragraph 658, showing what those who are most concerned with art think of the change proposed.

There being no objection, the matter referred to was ordered to be printed in the Record as follows:

THE TARIFF ON ANTIQUITIES A BLUNDER.

The conference committee on the tariff bill should not fail to correct the blunder which has been made in taking "artistic antiquities" and "collections in illustration of the progress of the arts" from the free list. This is equally important with restoring paintings and sculptures to the free list. In fact, the Senate itself might well make these changes without waiting for the conference committee. This would place the Senate in agreement with the House on the schedules and would also be a recognition of the universal demand throughout the country that these educational art objects should be free in the new tariff act.

No intelligent person can advocate a duty on artistic antiquities over 100 years old. They furnish models which are of great value to our designers and manufacturers and contribute directly to our business success and prosperity. An old Flemish sideboard, for instance, is full of suggestions for our designers of furniture; Gobelin tapestries, Belgian laces, and old embroideries are eagerly studied by the students of our industrial art schools, and old Chinese porcelains and Etruscan vases help our manufacturers of pottery to raise their standard of excellence.

The touch of art is to be seen all about us on almost every article of utility. Thus it is evident that art and industry are very closely related.

Moreover, as Samuel Isham says in his *History of American Painting*: "The tariffs which we have imposed upon art objects in the past at different periods have seriously diminished the beauty of the surroundings of the great body of the people. The carpets on their floors, the chairs in which they sit, the dishes from which they eat, and the ornaments on their walls are all uglier than they should be because the models which would have instructed both the people and the manufacturers have been kept out."

The countries of the Old World are full of these instructive models, and therefore their designers have a distinct advantage over Americans. In spite of this fact the Governments of Europe do everything possible to encourage art education, expending thousands of dollars upon art schools, art museums, and prizes. It goes without saying that as a part of this policy, with almost no exception, they make importations of art objects free. How much more necessary is it for our country, which has so few inherited art treasures, to encourage art education at least to the extent of making works of art duty free.

Former Commissioner of Education William T. Harris once said: "We must light our torches where art was a religion." We can not give our students the inspiration of the past if we build a tariff wall to shut out the art treasures of the older countries of the world.

Up to the present time the Democratic Party has a clean "free art" record. No tariff bill ever framed by the Democratic Party has ever placed an import duty upon either paintings, sculptures, or antiquities. It would be a grave mistake for the Democrats in the Senate in this twentieth century to smirch the record of their party by insisting upon any such taxes on knowledge and education. In a certain sense their action will be a test of our progress in civilization.

MR. THOMAS. Mr. President, I am more than ever convinced, after listening to the Senator from New York, that our only difference upon this subject is one of viewpoint. The Senator believes that works of art, all contributions of genius to the common stock of beauty and of artistic creation, should be permitted to come to our shores and be welcome, whether they after arrival are to form parts of a private collection or of a public one, because he believes that in the end the private collection will become a public one, since it is assumed that sooner or later all of these articles do find their place in public galleries.

Now, I am neither disputing nor asserting, because, in the first place, it does not, I think, concern the argument, because if it be true that these works and collections do ultimately become public property, then it makes little difference whether a duty is imposed upon their importation when designed for private collections or not. If, on the other hand, it is not true, then there is the greater argument, in my judgment, in favor of the imposition of the duty.

I quite agree, indeed the expression is so beautiful and so natural that it finds response in every human heart, that "a thing of beauty is a joy forever." But because it is a thing of joy forever, because it possesses an attribute which gives a sort of public proprietary interest in it, because every man and woman and child in existence should be privileged and permitted to see it, to drink in its beauty and to receive all the idealism and inspiration that can be obtained from it, because of that fact, I say, these works of genius should not be immured in the palaces and homes of the rich. I consider it a crime against the aesthetic taste of mankind, an offense against that love of beauty which has caused successive generations to preserve these wondrous creations and to hand them from the one to the other.

I believe therefore that every nation should frown upon the obtaining and holding of these treasures as private property for the enjoyment of the few or to satisfy the ostentatious vanity of those who may be able to afford them and make the practice as expensive as possible.

It was my privilege, not many years ago, to visit a private gallery of paintings. Occasionally I have been allowed a glimpse beyond the portals of the wealthy and powerful. I saw as attractive and beautiful and wondrous a collection of paintings as there is perhaps upon this continent outside the city of New York. As I enjoyed this splendid opportunity, which as a whole and in detail forms one of the happy experiences of my life, I felt that these beautiful, valuable, glorious paintings should belong to mankind and should not be in any private collection, accessible only to those whom the proprietor in his generosity or magnanimity might extend the privilege. When he confidently informed me of the enormous price which three or four of the gems in this collection had cost him, it instantly occurred to me that the amount which he had been required to pay, and which he willingly paid, rather than any desire to gratify himself or his

country after his death, constituted the chief motive which inspired the purchase and the collection.

Now, I believe it is wise to place a duty upon the importations of these invaluable treasures when they are acquired for private purposes and for such purposes alone, and this, Mr. President, whether ultimately or not these collections find repose in public galleries for the benefit of the high and the low and the rich and the poor.

I know, as was said by the distinguished Senator, that the poor are made happy because of the pleasure that they derive by coming into contact and association with the beautiful, and it is because I know it that I would require them all to be accessible to the multitude.

No one, I believe, appreciates a beautiful picture, a fine piece of statuary, more than the average man, woman, and child. The besotted and the ignorant, like the wise and the good, are lifted, temporarily at least, from the dull level of their monotonous and sordid lives by the ideals which they encounter in some of these priceless, wondrous collections.

Now, is it possible when a provision of the law requires that when these treasures are obtained merely to gratify a fad or the ostentatious fancy of a rich individual and segregated from the public and immured in their private residences, that for the privilege of doing so they should pay a duty thereon to the Government of the United States?

That is the theory of this bill upon this subject. If within five years after their acquisition they are given to the public, donated or sold to any gallery or other institution which allows the public for five days in a week, eight months in a year, access to them, the duties are refunded. An inducement is thus extended to the public spirit of the owners.

I think that a more judicious provision could not be made; and when it is further considered that these properties, when more than 50 years of age, are exempt from these duties entirely, and can be brought here absolutely free of duty, we have, in my judgment, framed a system as applicable to this sort of commodity, if that be a proper expression as applied to a work of art, that is as near just as it is possible to make it.

I referred the other day to the fact, Mr. President, that the widespread custom of investments in these expensive creations have resulted in the building up of a business of manufactured imitations, spurious creations, palmed off upon the unsuspecting or the careless or the ignorant as genuine, that has assumed very large proportions. Certainly the best lover of art is the identical one who frowns upon and would discourage as a general proposition, independent of its fraudulent and miserable character, the development or the continuation of such a pursuit.

I firmly believe, Mr. President, that this measure as it has been prepared and reported by the Senate Finance Committee will put a quietus, to a very large extent at least, upon this nefarious industry. Considered from that standpoint alone, every lover of art should applaud instead of condemning a policy that is designed for the real, the genuine protection of all works of art.

Now, my friends, the distinguished Senators from Massachusetts and New York, are earnestly desirous that the House instead of the Senate committee paragraphs relating to this subject should be adopted. But, Mr. President, would either of them vote for this bill if we should accede to their request and restore the House provisions? Do either of them expect to allow his love of beauty, his devotion to these splendid creations, the insistent desire that all sorts and conditions of men shall be permitted at all times to approach the altar and worship at the shrines of the public galleries and there obtain the full benefits of their valuable contributions—will they permit their exalted spirit of love and devotion to art to overcome their scruples concerning the paragraphs on print paper, and cotton, and bread, and meat, which they do not desire to see upon the free list, and vote for this bill?

I do not believe that any concessions which we may make upon this or any other subject, however dear to their hearts, will carry them across the line and give us the benefit of their support of this measure.

I hope, therefore, that the majority reporting these paragraphs will adopt them as they stand.

MR. LANE. Mr. President, I wish to say a word in explanation of my vote on this question. The Democratic Party will be criticized, and I expect it to be, and it would be subject to just criticism were it not for the fact that it is first attempting to place the necessities of life within the reach of the people of this country. It is necessary that the Government should raise a certain amount of revenue to carry on its affairs. In order to do that, it has seemed to be more wise to attempt to raise such

revenue from articles of luxury, leaving the necessities of life as near as may be within the reach of people who are poor.

Thirty-three and one-third per cent of all children born in the large cities die before they are 5 years of age for lack of proper nourishment, fresh air, sunlight, and the opportunity to receive the ordinary benefits which they would have under conditions where they had an equal opportunity to enjoy the gifts of nature. No painting executed by the greatest master of art will appeal to the eye of the mother of a child dying from lack of the necessities of life.

First, then, let us provide those necessities of life. Give the people an opportunity to get enough to properly raise their children and allow them to live. After we have accomplished that, I will join with my friends on the other side in placing works of art upon the free list and to pay a bounty to the man who will bring them in for the edification of the people of this country.

Mr. LODGE. I ask unanimous consent that the vote may be taken on the amendments to paragraphs 654 and 658 together.

Mr. THOMAS. We consent to that.

Mr. SIMMONS. There is no objection to that.

Mr. LODGE. That will save the calling of the roll twice.

Mr. THOMAS. Paragraph 658 will have first to be read.

Mr. LODGE. Paragraph 658 will have to be read. Then I ask for the yeas and nays on the two amendments at once. It will save calling the roll a second time.

The VICE PRESIDENT. Is there objection to the request of the Senator from Massachusetts? The Chair hears none. The Secretary will read paragraph 658.

The SECRETARY. The Committee on Finance proposes to strike out paragraph 658 as it appears in the House print of the bill and in lieu thereof to insert the following:

658. That when works of art, including paintings in oil and water colors, pastels, drawings and sketches in pen and ink, or pencil or water colors, etchings, engravings, lithographs, photographs, collections in illustration of the progress of the arts, works in bronze, marble, wood, terra cotta, parian, pottery, porcelain or glass, artistic antiquities, and objects of art of ornamental character or educational value on which duties shall have been paid under the provisions of the act, and shall within five years after the importation be purchased by or for, or presented to, and accepted in good faith, by a national institution or any State or municipal corporation or incorporated religious society, college, or other public institution, or any society or institution established for the encouragement of the arts, sciences, agriculture, or education, as its permanent property for permanent free exhibition at a fixed place for at least four days in each week, of at least eight months in each year, and not to be sold, there shall be paid by the Secretary of the Treasury to the purchaser or donor from any moneys in the Treasury not otherwise appropriated an amount equal to the amount of duties paid, upon production of evidence satisfactory to him of such purchase or donation and acceptance upon the terms and conditions herein prescribed.

The VICE PRESIDENT. The question is on agreeing to the committee amendments on which the yeas and nays have been asked for.

The yeas and nays were ordered.

Mr. BACON. Mr. President, is the question on the adoption of the amendments proposed by the Committee on Finance?

Mr. LODGE. Yes; on the adoption of the amendments proposed by the Committee on Finance.

The VICE PRESIDENT. That is correct.

The Secretary proceeded to call the roll.

Mr. BRYAN (when his name was called). I have a general pair with the Senator from Michigan [Mr. TOWNSEND]. In his absence I transfer that pair to the Senator from Nebraska [Mr. HITCHCOCK] and vote "yea."

Mr. STERLING (when Mr. CRAWFORD's name was called). I wish to again state that my colleague [Mr. CRAWFORD] is necessarily absent and is paired with the senior Senator from Tennessee [Mr. LEA]. If my colleague were present and at liberty to vote, he would vote "nay."

Mr. JAMES (when his name was called). I transfer the pair I have with the junior Senator from Massachusetts [Mr. WEEKS] to the junior Senator from New Jersey [Mr. HUGHES] and vote "yea."

Mr. LEA (when his name was called). I have a pair with the Senator from South Dakota [Mr. CRAWFORD]. If I were at liberty to vote, I should vote "yea."

Mr. LEWIS (when his name was called). I announce my pair with the junior Senator from North Dakota [Mr. GRONNA]. If he were here, I should vote "yea."

Mr. SWANSON (when the name of Mr. MARTIN of Virginia was called). My colleague [Mr. MARTIN of Virginia] is paired with the junior Senator from Vermont [Mr. PAGE]. If he were present, my colleague would vote "yea."

Mr. DILLINGHAM (when Mr. PAGE's name was called). My colleague [Mr. PAGE] is necessarily absent this afternoon; but, as has been stated, he is paired with the Senator from Virginia [Mr. MARTIN].

Mr. THOMAS (when his name was called). I make the same transfer of my pair as heretofore announced, and vote "yea."

Mr. WILLIAMS (when his name was called). I notice the absence of the senior Senator from Pennsylvania [Mr. PENROSE]. I have a pair with that Senator, and therefore withhold my vote. The roll call was concluded.

Mr. GALLINGER (after having voted in the negative). I have a general pair with the Senator from New York [Mr. O'GORMAN], who has not voted. I transfer that pair to the junior Senator from Maine [Mr. BURLEIGH], and will allow my vote to stand.

Mr. SUTHERLAND. I inquire whether the Senator from Arkansas [Mr. CLARKE] has voted?

The VICE PRESIDENT. He has not.

Mr. SUTHERLAND. I withhold my vote on account of my pair with that Senator.

Mr. REED. I have a pair with the Senator from Michigan [Mr. SMITH]. Being unable to arrange for the transfer of the pair, I withhold my vote. If permitted to vote, I should vote "yea."

Mr. MYERS. I announce my pair with the Senator from Connecticut [Mr. McLEAN] and withhold my vote.

Mr. CHAMBERLAIN. I have a general pair with the junior Senator from Pennsylvania [Mr. OLIVER]. In his absence I withhold my vote.

Mr. SUTHERLAND. I transfer my pair with the Senator from Arkansas [Mr. CLARKE] to the Senator from Idaho [Mr. BRADY] and vote "nay."

Mr. GALLINGER. I am requested to announce a pair between the Senator from Wisconsin [Mr. STEPHENSON] and the senior Senator from South Carolina [Mr. TILLMAN].

The result was announced—yeas 32, nays 27, as follows:

YEAS—32.

Ashurst	Kern	Saulsbury	Smith, Md.
Bacon	Lane	Shafroth	Smith, S. C.
Bryan	Overman	Sheppard	Stone
Chilton	Owen	Shields	Swanson
Fletcher	Pittman	Shively	Thomas
Hollis	Pomerene	Simmons	Thompson
James	Ransdell	Smith, Ariz.	Vardaman
Johnson	Robinson	Smith, Ga.	Walsh

NAYS—27.

Bradley	Cummins	La Follette	Sherman
Brandegge	Dillingham	Lippitt	Smoot
Bristow	Fall	Lodge	Sterling
Catron	Gallinger	Norris	Sutherland
Clapp	Jackson	Perkins	Thornton
Clark, Wyo.	Jones	Poindexter	Warren
Colt	Kenyon	Root	

NOT VOTING—36.

Bankhead	du Pont	McLean	Penrose
Borah	Goff	Martin, Va.	Reed
Brady	Gore	Martine, N. J.	Smith, Mich.
Burleigh	Gronna	Myers	Stephenson
Burton	Hitchcock	Nelson	Tillman
Chamberlain	Hughes	Newlands	Townsend
Clarke, Ark.	Lea	O'Gorman	Weeks
Crawford	Lewis	Oliver	Williams
Culberson	McCumber	Page	Works

So the committee amendments were agreed to.

Mr. THOMAS. Mr. President, I think that completes the schedules, with the exception of one or two matters which the Secretary has called to my attention, but which, I think, have also been disposed of. The first is paragraph 65. If it has not already been done the words "chlorate of," on page 16, line 24, of that paragraph, should be stricken out.

The VICE PRESIDENT. The Chair is informed they were stricken out, and the paragraph agreed to.

Mr. THOMAS. In paragraph 657, my recollection is that the amendments offered by the committee have been adopted; but there seems to be some difference about that.

The VICE PRESIDENT. The Chair is informed that the committee amendments to paragraph 657 have been agreed to. The Chair will state that paragraph 254, on page 70, stands recommitted to the committee.

Mr. SIMMONS. I desire to say that the subcommittee is considering some change in that paragraph, and I ask that it be temporarily passed over. I hope to be able to report it very soon.

The VICE PRESIDENT. It is already before the committee.

Mr. CUMMINS. Mr. President, if it is not a violation of the agreement made some time ago, I desire now to offer an amendment to follow paragraph 659. I send the amendment to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. At the end of section 1, page 164, it is proposed to add a new paragraph, as follows:

It shall be unlawful from and after January 1, 1914, for any common carrier to charge, collect, or receive a higher rate for the transporta-

tion of any of the articles or commodities hereinbefore mentioned, or of substantially similar articles and commodities having been grown, produced, or manufactured in the United States, over the same line in the same direction than it charges, collects, or receives for the transportation of such articles or commodities when imported into the United States from a foreign country.

No common carrier in conforming to the foregoing provision shall increase any rate without the approval of the Interstate Commerce Commission, entered after a full hearing upon an application for such increase.

Mr. CUMMINS. Mr. President, I regret that I feel compelled to propose an important question of this kind under the circumstances which now surround us. I do not know how other Members of the Senate feel, especially the Members on this side of the Chamber, but I feel that it is a farce through which we are passing, so far as argument is concerned, and nothing but the highest sense of duty impels me to consume the time of the Senate in the suggestions that I am about to make.

The question presented in this amendment has nothing whatever to do with percentages of duty levied upon imports, but it has a great deal to do with the tariff. It is a question that will be easily understood throughout the country, and, while I do not hope to reach the judgment of the majority at this time, I shall hope that there will appear for the proposition which I have now submitted more potent advocates than can be summoned at this moment. The question is intimately connected with the tariff duties that are here imposed.

We all understand, Mr. President, that in determining the rate of duty upon any particular commodity, whether we are speaking from a protection or a competitive standpoint, we must not forget the cost of transportation from the point of production to the point of consumption.

Every man who presumes to deal with the subject intelligently knows that we must give due consideration to the cost of transportation. The bill now before us reduces duties, and at this moment I am not complaining of that. Duties are reduced to a point much below the protective point, as admitted—indeed, as claimed—by those who are responsible for the bill. My amendment simply asks the Senate and asks the country whether, in view of this very material, very substantial, and, as I am bound to think, indefensible reduction of duties, we shall continue to give our rivals in other countries the added advantage of discrimination in rates of transportation.

These rivals have that advantage now. They have possessed it for a long time. Our own producers have been able to overcome the discrimination because there have been attached to most of these commodities duties that were sufficient and oftentimes more than sufficient to enable them to meet their competitors from abroad, notwithstanding the lower freight rates which these competitors have so long enjoyed.

I beg to restate my amendment in a simpler way than found in its phraseology.

I propose that hereafter the products of the United States shall be carried by our common carriers at no higher rate, over the same line, in the same direction, than products of similar character are so carried when imported from other countries. In view of the fact that upon many commodities the import freight rate is much lower than the domestic freight rate at this time, to avoid the increasing of all these rates I provide that the common carriers, in adjusting themselves to this amendment, if it shall become a law, shall not increase any rates without the approval of the Interstate Commerce Commission.

I shall be as brief as it is possible for a man to be in presenting this question, and I therefore proceed immediately to the facts. What are the facts with regard to the rates charged on imported products as compared with the rates charged upon domestic products?

Fortunately, we have before us the result of an investigation held by the Interstate Commerce Commission long ago. It was held under a resolution, which I intend to read in order that there may be in the RECORD the basis for the investigation made by the commission. The resolution was adopted by the Senate on the 24th of June, 1902, and it reads as follows:

Resolved, That the Interstate Commerce Commission be, and is hereby, directed to investigate and report to the Senate during the month of December next in such form and to such extent as may be practicable—

1. The rates filed with said commission by common carriers subject to the act to regulate commerce and now in force on import and domestic traffic of like kind carried from ports of entry in the United States to interior points of destination which show material differences, if any, in favor of through shipments of imported articles and against shipments of like articles originating at such ports of entry.

2. What, if any, kinds or classes of imported articles have actually been transported at any time between January 1 and July 1 of the present year by common carriers subject to the act to regulate commerce at rates from ports of entry in the United States to interior points of destination materially less than the rates contemporaneously charged

by such carriers upon the same kinds or classes of articles as domestic shipments from such ports of entry to the same interior points of destination; and whether, if it can be ascertained, the rates actually charged upon both the import and domestic traffic were in conformity with the rates in effect thereon, as shown in rate schedules filed with said commission.

3. Show in said report in connection with any such differences in schedule rates in favor of import and against domestic shipments the tariff or customs duties in force under the laws of Congress upon such import traffic carried at any time during the six months' period above specified; and to enable compliance with this requirement the Secretary of the Treasury is hereby directed to furnish the said commission, upon its application, a statement showing the tariff or customs duties applicable to such import traffic.

Under this comprehensive authority the Interstate Commerce Commission made an examination, and on the 28th day of February, 1903, it reported the results of its hearings to the Senate. I do not intend, of course, to read at length from the report, nor do I intend to embody it all in my observations, but it is a report which anyone who is at all interested in American industry as opposed to foreign industry, anyone who really desires the welfare of the people of his own country as distinguished from the welfare of the people of other countries, might well consult.

Among other things the commission says:

The following summary shows the import and domestic all-rail rates, in cents per 100 pounds, on the different classes from Newport News to Chicago:

I but repeat a fact known to every Senator, surely, when I say that in the territory of which I am about to speak there are six classes of commodities aside from the special commodity rates.

The import rate from Newport News to Chicago from November 15 to May 15 was, on the first class, 67 cents. The domestic rate upon the same class was 59 cents per hundred pounds. That is to say, an article in this class coming from abroad and shipped from the ocean at Newport News to Chicago was charged 67 cents per hundred pounds, but if it originated in the United States and was shipped from the same point to the same point the rate was 59 cents.

We now come to the second class. The second-class rates were 57 cents and 51 cents, respectively; the third-class rates, 47 and 43; the fourth-class rates, 32 and 29; the fifth-class rates, 27 and 25; and the sixth-class rates, 22 and 20.

I call attention to these things in order that you may mark the distinction which is made between class rates, upon which comparatively little of the traffic is carried, and commodity rates, upon which a large part of the traffic is carried. Commenting on this table, the commission says:

It thus appears that from Newport News to Chicago the import class rates are materially higher than the domestic class rates for half the year and nearly the same as the domestic class rates the other half of the year.

This is substantially the true theory of adjusting freight rates. There is no reason for any material difference between the import freight rate and the domestic freight rate. But let us pass on:

The domestic class rates from Montreal, Canada, to Chicago are, in cents per 100 pounds—

Now mark you and see where this difference and injustice arises—

The domestic class rates from Montreal, Canada, to Chicago are, in cents per 100 pounds, 66, 58, 45, 31, 26, and 22 cents on the six classes, respectively. The import class rates from Montreal to Chicago on the six classes are 54, 47, 37, 27, 23, and 20 cents, respectively.

Mr. POINDEXTER. Mr. President—

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Washington?

Mr. CUMMINS. I do.

Mr. POINDEXTER. The Senator stated the last paragraph in a little different way from his statement of the rates from Newport News. As I understood the first statement, from Newport News to Chicago the import rates were higher than the domestic class rates.

Mr. CUMMINS. They were.

Mr. POINDEXTER. Is that true as to the rates from Montreal?

Mr. CUMMINS. They were just the reverse. I will read them again.

Mr. POINDEXTER. I should like to have the Senator, if he will, when he reads the import rates for the first class, read next the domestic rates for the first class.

Mr. CUMMINS. I will reread the figures in that way, Mr. President.

The domestic class rate from Montreal, Canada, to Chicago, on first-class freight per hundred pounds, was 66 cents. The import rate on that class was 54 cents.

On second-class freight the domestic rate was 58 cents, and the import rate 47 cents.

On third-class freight the domestic rate was 45 cents, and the import rate was 37 cents.

On fourth-class freight the domestic rate was 31 cents, and the import rate was 27 cents.

On fifth-class freight the domestic rate was 26 cents, and the import rate 23 cents.

On sixth-class freight the domestic rate was 22 cents, and the import rate 20 cents.

I now pass over to the tables submitted by the commission upon commodity rates. With respect to the commodity rates, upon which a large part of the traffic of the country is carried, in many instances the import rate is less than the domestic rate.

For instance, taking the first table, which is a "statement showing import and domestic rates on various commodities from New York and other seaboard cities to the several points thereinafter shown, in effect June 24, 1902," the domestic rate from New York to Cleveland upon sulphate of ammonia was 18 cents. The import rate was 15 cents.

Upon bagging the domestic rate was 25 cents, and the import rate 18 cents.

Upon burlaps the domestic rate was 25 cents, and the import rate 18 cents.

Upon cement the domestic rate was 16 cents, and the import rate 13 cents.

Upon fuller's earth the domestic rate was 16 cents, and the import rate 15 cents, although that is not a very important matter so far as competition is concerned.

Upon carbonate of potash the domestic rate was 21 cents and the import rate 15 cents per hundred pounds.

I am reading the table which applies from New York to Cleveland, because it is typical of nearly all of them.

Upon salt the domestic rate was 16 cents and the import rate 13 cents per hundred pounds.

Upon crude sulphur the domestic rate was 18 cents and the import rate 16 cents.

I might read through these tables by the hour in showing these disparities in rates. Take the item of crockery: We have greatly reduced the rates on crockery. Whether that reduction is wise or not is not material to this argument. But upon crockery in crates from Portland, Me., to Cincinnati—this happens to be a table from Portland to Cincinnati—the domestic rate was 24 cents per hundred pounds and the import rate was 18 cents per hundred pounds. The class rates over the same distances show the same unfavorable comparison with the domestic rates.

Mr. STERLING. Mr. President—

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from South Dakota?

Mr. CUMMINS. I do.

Mr. STERLING. As I understand it, the Senator is reading now the rates in 1903 and prior to that date.

Mr. CUMMINS. These tables were compiled in the early part of 1903.

Mr. STERLING. I wish to have the Senator's opinion as to whether, under the enlarged powers of the Interstate Commerce Commission, that commission would have power to prevent this discrimination between domestic and import rates.

Mr. CUMMINS. I intend to refer to that in a few moments, if I may be permitted to defer my remarks upon it until I reach that phase of the case.

Mr. STERLING. Certainly.

Mr. CUMMINS. I ask that I may print as a part of my remarks the tables from page 12 to page 33, inclusive, contained in the report of the Interstate Commerce Commission, and from which I have read.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The matter referred to is as follows:

TABLE I.—Statement showing import and domestic rates on various commodities from New York, N. Y., to the several points hereinafter shown, in effect June 24, 1902. (Rates in cents per 100 pounds, unless otherwise shown, c. l.)

Commodities.	From New York, N. Y., to—																													
	Buffalo, N. Y.			Cleveland, Ohio.			Pittsburgh, Pa.			Detroit, Mich.; Toledo, Ohio; Columbus, Ohio.			Cincinnati, Ohio.			Indianapolis, Ind.			Grand Rapids, Mich.			Chicago, Ill.; Louisville, Ky.			Peoria, Ill.			East St. Louis, Ill.		
	Import.	Domestic.	In favor of import.	Import.	Domestic.	In favor of import.	Import.	Domestic.	In favor of import.	Import.	Domestic.	In favor of import.	Import.	Domestic.	In favor of import.	Import.	Domestic.	In favor of import.	Import.	Domestic.	In favor of import.	Import.	Domestic.	In favor of import.	Import.	Domestic.	In favor of import.	Import.	Domestic.	In favor of import.
Ammonia, sulphate of.....				15	18	3				15	20	5	15	22	7	15	23	8	15	24	9	15	25	10	17	28	11	17	29	12
Asphaltum.....							13	14	1				18	25	7	18	25	7	18	25	7	18	25	2	20	22	2	21	23	2
Bagging.....	18	19	1	18	25	7	18	21	3	18	25	7	18	25	7	18	25	7	18	25	7	18	25	7	20	28	8	21	29	8
Bleach.....				15	16	1				15	16	1	15	16	1	15	17	2	15	17	2	15	17	2	16	18	3	17	21	4
Brimstone, crude, in bulk.....				16	18	2				16	20	4	16	22	6	16	23	7	16	24	8	16	25	9	18	28	10	19	29	10
Burlaps.....	18	19	1	18	25	7	18	21	3	18	27	9	18	30	12	18	33	15	18	34	16	18	35	17	20	39	19	21	41	20
Castor beans.....				20	21	1				20	23	3	20	26	6	20	28	8	20	29	9	20	30	10	22	33	11	23	35	12
Cement.....				13	16	3	13	14	1	13	16	3	13	17	4	13	19	6	13	19	6	13	20	7	14	22	8	15	23	8
Clay.....				15	16	1				15	16	1	15	17	2	15	19	4	15	19	4	15	20	5	17	22	5	17	23	6
Crockery:																														
Common (see note).....				18	21	3				18	23	5	18	26	8	18	28	10	18	29	11	18	30	12	20	33	13	21	35	14
English (see note).....				16	21	5	16	18	2	16	23	7	16	26	10	16	28	12	16	29	13	16	30	14	18	33	15	19	35	16
Fuller's earth.....				15	16	1				15	16	1	15	17	2	15	19	4	15	19	4	15	20	5	17	22	5	17	23	6
Iron pyrites, per gross ton.....	207	284	76	207	284	76	207	284	32	247	285	37	247	305	57	247	326	78	247	336	82	247	350	102	272	385	113	287	406	119
Kaolin.....				15	16	1				15	17	2	15	19	4	15	20	5	15	21	6	15	22	7	17	24	7	17	26	9
Magnesite, Grecian, in bags or in bulk.....				15	16	1				15	16	1	15	17	2	15	19	4	15	19	4	15	20	5	17	22	5	17	23	6
Ore (iron, chrome, or manganese), per ton.....	216	240	24	256	320	64	216	336	120	281	351	70	313	392	79	335	419	84	346	432	86	350	450	90	396	495	99	418	522	104
Potash:																														
Carbonate of.....				15	21	6	15	18	3	15	23	8	15	26	11	15	28	13	15	29	14	15	30	15	17	33	16	17	35	18
Muriate of.....				15	16	1	15	18	3	15	17	2	15	19	4	15	20	5	15	21	6	15	22	7	17	24	7	17	26	9
Sulphate of.....				15	16	1	15	18	3	15	17	2	15	19	4	15	20	5	15	21	6	15	22	7	17	24	7	17	26	9
Rice, brewers'.....										18	20	2	18	22	4	18	23	5	18	24	6	18	25	7	20	28	8	21	29	8
Salt, mineral, in barrels, 30,000; in boxes, sacks, or bulk, 48,000 pounds.....				13	16	3	13	14	1	13	16	3	13	17	4	13	19	6	13	19	6	13	20	7	14	22	8	15	23	8
Salt cake.....				15	16	1				15	16	1	15	17	2	15	19	4	15	19	4	15	20	5	17	22	5	17	23	6
Soda ash.....				15	16	1				15	16	1	15	16	1	15	17	2	15	17	2	15	18	3	17	20	3	17	21	4
Soda:																														
Bicarbonate of.....				15	16	1				15	16	1	15	17	2	15	19	4	15	19	4	15	20	5	17	22	5	17	23	6
Caustic.....				15	16	1				15	16	1	15	16	1	15	17	2	15	17	2	15	18	3	17	20	3	17	21	4
Nitrate.....	15	16	1	15	21	6	15	18	3	15	23	8	15	26	11	15	28	13	15	29	14	15	30	15	17	33	16	17	35	18
Salt.....				15	16	1				15	16	1	15	16	1	15	17	2	15	17	2	15	18	3	17	20	3	17	21	4
Silicate.....				15	16	1				15	16	1	15	16	1	15	16	1	15	17	2	15	18	3	17	20	3	17	21	4
Sulphate of.....				15	16	1				15	16	1	15	16	1	15	17	2	15	17	2	15	18	3	17	20	3	17	21	4
Spiegeleisen, ferromanganese, silicon, and pig iron, per ton.....	284	320	36	284	320	36	240	403	163	312	351	39	348	392	44	372	419	47	384	432	48	400	450	50	440	495	55	464	522	58
Sulphur, crude, in bulk.....				16	18	2				16	20	4	16	22	6	16	23	7	16	24	8	16	25	9	18	28	10	19	29	10

NOTE.—Will include cheap tableware invoiced at prices not exceeding those of English crockery, in crates, although such shipments may be marked as china; also includes English crockery, in packages other than crates.

Domestic rate on crockery, in boxes or slatted boxes, l. c. l. from New York to Chicago, 65 cents per 100 pounds. Domestic rate on crockery in crates, barrels, tierces, casks, or hogsheads, l. c. l. from New York to Chicago, 40 cents per 100 pounds. Rates to other points, as shown above, are adjusted to the New York and Chicago basis.

TABLE 2.—Statement showing import and domestic rates on various commodities from Portland, Me. (via Grand Trunk Railway), to the several points hereinafter shown, in effect June 24, 1902.

[Rates in cents per 100 pounds, unless otherwise shown.]

Commodities.	From Portland, Me., to—																	
	Cincinnati, Ohio.			Indianapolis, Ind.			Grand Rapids, Mich.			Chicago, Ill.; Louisville, Ky.			Peoria, Ill.			East St. Louis, Ill.		
	Im- port.	Do- mes- tic.	In favor of im- port.	Im- port.	Do- mes- tic.	In favor of im- port.	Im- port.	Do- mes- tic.	In favor of im- port.	Im- port.	Do- mes- tic.	In favor of im- port.	Im- port.	Do- mes- tic.	In favor of im- port.	Im- port.	Do- mes- tic.	In favor of im- port.
Asphaltum.....	18	22	4	18	22	4	18	22	4	18	19	1	20	21	1	21	22	1
Bagging.....	18	22	4	18	22	4	18	22	4	18	22	4	20	25	5	21	26	5
Bleach.....	18	20½	2½	15	16	1	15	16	1	15	17	2	17	19	2	18	20	2
Brewers' rice.....	18	20½	2½	18	21½	3½	18	22½	4½	18	23½	5½	20	26½	6½	21	27½	6½
Brimstone, in bulk.....	18	22	4	18	22	4	18	22	4	18	17	1	18	19	1	19	20	1
Burlaps.....	13	16	3	13	18	5	13	18	5	13	19	6	14½	21	6½	15	22	7
Cement.....	15	16	1	15	18	3	15	18	3	15	19	4	17	21	4	18	22	4
Clay.....	18	24	6	18	26	8	18	27	9	16	28	12	20	31	11	21	33	12
Crockery in crates.....	15	16	1	15	18	3	15	18	3	15	19	4	17	21	4	18	22	4
Fuller's earth.....	15	16	1	15	18	3	15	18	3	15	19	4	17	21	4	18	22	4
Grecian magnesite, in bulk.....	15	16	1	15	18	3	15	18	3	15	19	4	17	21	4	18	22	4
Kaolin.....	15	16	1	15	18	3	15	18	3	15	19	4	17	21	4	18	22	4
Muriate of potash.....	15	16	1	15	18	3	15	18	3	15	20	5	17	22	5	18	24	6
Salt.....	15	16	1	15	18	3	15	18	3	10	19	9	17	21	4	18	22	4
Salt cake.....	15	16	1	15	18	3	15	18	3	15	19	4	17	21	4	18	22	4
Soda:																		
Ash.....	15	17	2	15	18	3	15	18	3	15	17	2	17	19	2	18	20	2
Bicarbonate.....	15	17	2	15	18	3	15	18	3	15	17	2	17	19	2	18	20	2
Carbonate.....	15	17	2	15	18	3	15	18	3	15	20	5	17	22	5	18	24	6
Caustic.....	15	16	1	15	18	3	15	18	3	15	17	2	17	19	2	18	20	2
Nitrate of.....	15	16	1	15	18	3	15	18	3	15	19	4	17	21	4	18	22	4
Sal.....	15	16	1	15	18	3	15	18	3	15	17	2	17	19	2	18	20	2
Silicate.....	15	16	1	15	18	3	15	18	3	15	17	2	17	19	2	18	20	2
Sulphate.....	15	16	1	15	18	3	15	18	3	15	17	2	17	19	2	18	20	2
Sulphur, in bulk.....	15	16	1	15	18	3	15	18	3	16	17	1	18	19	1	19	20	1
CLASS RATES.																		
First class.....	55	60	5	60	65	5	62	67	5	65	70	5	73	78	5	77	82	5
Second class.....	49	53	4	52	56	4	54	58	4	57	61	4	64	68	4	67	71	4
15 per cent less than second class.....	42	45	3	44	48	4	46	50	4	48	52	4	54	58	4	57	61	4
Third class.....	38	41	3	41	44	3	42	45	3	44	47	3	49	52	3	52	55	3
20 per cent less than third class.....	30	33	3	33	36	3	34	36	2	35	38	3	39	42	3	42	44	2
Fourth class.....	26	28	2	29	31	2	30	32	2	31	33	2	35	37	2	37	39	2
Fifth class.....	22	24	2	24	26	2	25	27	2	26	28	2	29	31	2	31	33	2
Sixth class.....	19	20½	1½	20	21½	1½	21	22½	1½	22	23½	1½	25	26½	1½	26	27½	1½

TABLE 3.—Statement showing import and domestic rates on various commodities from Boston, Mass., and Portland, Me., to points hereinafter shown, in effect June 24, 1902.

[Rates in cents per 100 pounds, unless otherwise shown, c. l.]

Commodities.	From Boston, Mass., and Portland, Me., to—																	
	Cleveland, Ohio.			Detroit, Mich.; Toledo, Ohio; Columbus, Ohio.			Cincinnati, Ohio.			Indianapolis, Ind.			Grand Rapids, Mich.			Chicago, Ill.; Louisville, Ky.		
	Im- port.	Do- mes- tic.	In favor of im- port.	Im- port.	Do- mes- tic.	In favor of im- port.	Im- port.	Do- mes- tic.	In favor of im- port.	Im- port.	Do- mes- tic.	In favor of im- port.	Im- port.	Do- mes- tic.	In favor of im- port.	Im- port.	Do- mes- tic.	In favor of im- port.
Asphaltum.....	18	25	7	18	25	7	18	25	7	18	19	1	18	19	1	18	20	2
Bagging.....	15	16	1	15	16	1	15	16	1	15	17	2	15	17	2	15	18	3
Bleach.....	15	16	1	15	16	1	15	16	1	15	17	2	15	17	2	15	18	3
Brewers' rice.....	18	20	2	18	20	2	18	22	4	18	23	5	18	24	6	18	25	7
Brimstone, in bulk.....	16	18	2	16	20	4	16	22	6	16	23	7	16	24	8	16	25	9
Burlaps.....	18	25	7	18	27	9	18	30	12	18	33	15	18	34	16	18	35	17
Castor beans.....	20	21	1	20	23	3	20	26	6	20	28	8	20	29	9	20	30	10
Cement.....	13	16	3	13	16	3	13	17	4	13	19	6	13	19	6	13	20	7
Clay.....	15	16	1	15	16	1	15	17	2	15	19	4	15	19	4	15	20	5
Crockery:																		
In crates (see note).....	18	21	3	18	23	5	18	26	8	18	28	10	18	29	11	18	30	12
English, in crates.....	16	21	5	16	23	7	16	26	10	16	28	12	16	29	13	16	30	14
Fuller's earth.....	15	16	1	15	16	1	15	17	2	15	19	4	15	19	4	15	20	5
Grecian magnesite, in bulk.....	15	16	1	15	16	1	15	17	2	15	19	4	15	19	4	15	20	5
Iron pyrites, per ton 2,240 pounds.....	207½	284	76½	247½	285	37½	247½	305	57½	247½	326	78½	247½	336	88½	247½	350	102½
Kaolin.....	15	16	1	15	17	2	15	19	4	15	20	5	15	21	6	15	22	7
Kaolin.....	15	16	1	15	16	1	15	17	2	15	19	4	15	19	4	15	20	5
Muriate of potash.....	15	16	1	15	17	2	15	19	4	15	20	5	15	21	6	15	22	7
Carbonate of potash.....	15	21	6	15	23	8	15	26	11	15	28	13	15	29	14	15	30	15
Salt, c. l., minimum weight in barrels, 30,000; in boxes, sacks, or in bulk, 40,000 pounds.....	13	16	3	13	16	3	13	17	4	13	19	6	13	19	6	13	20	7
Salt cake.....	15	16	1	15	16	1	15	17	2	15	19	4	15	19	4	15	20	5
Soda ash.....	15	16	1	15	16	1	15	16	1	15	17	2	15	17	2	15	18	3
Soda:																		
Bicarbonate.....	15	16	1	15	16	1	15	17	2	15	19	4	15	19	4	15	20	5
Caustic.....	15	16	1	15	16	1	15	16	1	15	17	2	15	18	3	15	19	4
Nitrate.....	15	21	6	15	23	8	15	26	11	15	28	13	15	29	14	15	30	15
Sal.....	15	16	1	15	16	1	15	16	1	15	17	2	15	18	3	15	19	4
Silicate.....	15	16	1	15	16	1	15	16	1	15	17	2	15	18	3	15	19	4
Sulphate.....	15	16	1	15	16	1	15	16	1	15	17	2	15	18	3	15	19	4

TABLE 3.—Statement showing import and domestic rates on various commodities from Boston, Mass., and Portland, Me., to points hereinafter shown, in effect June 24, 1902—Contd.

Commodities.	From Boston, Mass., and Portland, Me., to—																							
	Cleveland, Ohio.			Detroit, Mich.; Toledo, Ohio; Columbus, Ohio.			Cincinnati, Ohio.			Indianapolis, Ind.			Grand Rapids, Mich.			Chicago, Ill.; Louisville, Ky.			Peoria, Ill.			East St. Louis, Ill.		
	Im-port.	Do-mes-tic.	In fa-vor of im-port.	Im-port.	Do-mes-tic.	In fa-vor of im-port.	Im-port.	Do-mes-tic.	In fa-vor of im-port.	Im-port.	Do-mes-tic.	In fa-vor of im-port.	Im-port.	Do-mes-tic.	In fa-vor of im-port.	Im-port.	Do-mes-tic.	In fa-vor of im-port.	Im-port.	Do-mes-tic.	In fa-vor of im-port.	Im-port.	Do-mes-tic.	In fa-vor of im-port.
Spiegeleisen, per ton.....	284	320	36	312	351	39	348	392	44	372	419	47	384	432	48	400	450	50	440	495	55	464	522	58
Sulphate of ammonia.....	15	18	3	15	20	5	15	22	7	15	23	8	15	24	9	15	25	10	17	28	11	17	29	12
Sulphate of potash.....	15	16	1	15	17	2	15	19	4	15	20	5	15	21	6	15	22	7	17	24	7	17	26	9
Sulphur, in bulk.....	16	18	2	16	20	4	16	22	6	16	23	7	16	24	8	16	25	9	18	28	10	19	29	10
Ferromanganese, per ton.....	284	320	36	312	351	39	348	392	44	372	419	47	384	432	48	400	450	50	440	495	55	464	522	58
Ferrosilicon, per ton.....	284	320	36	312	351	39	348	392	44	372	419	47	384	432	48	400	450	50	440	495	55	464	522	58
Pig iron, per ton.....	284	298	14	312	328	16	348	365	17	372	391	19	384	403	19	400	420	20	440	462	22	464	487	23
Ore, iron, chrome, and manganese, per ton.....	256	320	64	281	351	70	313	392	79	335	419	84	346	432	86	360	450	90	396	495	99	418	522	104
CLASS RATES.																								
First class.....	50	53	3	54	59	5	60	65	5	65	70	5	67	72	5	70	75	5	78	83	5	82	87	5
Second class.....	43	46	3	47	51	4	53	57	4	56	60	4	58	62	4	61	65	4	68	72	4	71	75	4
15 per cent less than second class.....	37	39	2	40	43	3	45	48	3	48	51	3	49	53	4	52	55	3	58	61	3	60	64	4
Third class.....	33	36	3	36	39	3	41	44	3	44	47	3	45	48	3	47	50	3	52	55	3	55	58	3
20 per cent less than third class.....	27	29	2	29	31	2	33	35	2	35	38	3	36	38	2	38	40	2	42	44	2	44	46	2
Fourth class.....	23	25	2	25	27	2	28	30	2	31	33	2	32	34	2	33	35	2	37	39	2	39	41	2
Fifth class.....	20	21	1	21	23	2	24	26	2	26	28	2	27	29	2	28	30	2	31	33	2	33	35	2
Sixth class.....	16½	18	1½	18½	20	1½	20½	22	1½	21½	23	1½	22½	24	1½	23½	25	1½	26½	28	1½	27½	29	1½

NOTE.—Will include cheap tableware invoiced at prices not exceeding those of English crockery in crates, although such shipments may be marked as "china"; also includes English crockery in packages other than crates.

TABLE 4.—Statement showing import and domestic rates on various commodities from Philadelphia, Pa., to several points as shown below, in effect June 24, 1903.

[Rates in cents per 100 pounds, unless otherwise shown, c. l.]

Commodities.	From Philadelphia, Pa., to—																							
	Cleveland, Ohio.			Pittsburgh, Pa.			Detroit, Mich.; Toledo, Ohio; Columbus, Ohio.			Cincinnati, Ohio.			Indianapolis, Ind.			Grand Rapids, Mich.			Chicago, Ill.; Louisville, Ky.			Peoria, Ill.		
	Im-port.	Do-mes-tic.	In fa-vor of im-port.	Im-port.	Do-mes-tic.	In fa-vor of im-port.	Im-port.	Do-mes-tic.	In fa-vor of im-port.	Im-port.	Do-mes-tic.	In fa-vor of im-port.	Im-port.	Do-mes-tic.	In fa-vor of im-port.	Im-port.	Do-mes-tic.	In fa-vor of im-port.	Im-port.	Do-mes-tic.	In fa-vor of im-port.	Im-port.	Do-mes-tic.	In fa-vor of im-port.
Ammonia, sulphate of.....	13	16	3	13	13	.....	13	18	5	13	20	7	13	21	8	13	22	9	13	23	10	15	26	11
Asphaltum.....	16	23	7	16	19	3	16	23	7	16	23	7	16	23	7	16	23	7	16	23	7	18	20	2
Bagging.....	13	14	1	13	14	1	13	14	1	13	14	1	13	15	2	13	15	2	13	16	3	15	18	3
Bleach.....	14	16	2	14	16	2	14	18	4	14	20	6	14	21	7	14	22	8	14	23	9	16	20	4
Brimstone, crude, in bulk.....	16	23	7	16	19	3	16	25	9	16	28	12	16	31	15	16	32	16	16	33	17	18	37	19
Burlaps.....	18	19	1	18	19	1	18	21	3	18	24	6	18	26	8	18	27	9	18	28	10	20	31	11
Castor beans.....	11	14	3	11	12	1	11	14	3	11	15	4	11	17	6	11	17	6	11	18	7	12	20	8
Cement.....	13	14	1	13	14	1	13	14	1	13	15	2	13	17	4	13	17	4	13	18	5	15	21	6
Clay.....	13	14	1	13	14	1	13	14	1	13	15	2	13	17	4	13	17	4	13	18	5	15	21	6
Crockery:																								
Common (see note).....	16	19	3	16	19	3	16	21	5	16	24	8	16	26	10	16	27	11	16	28	12	18	31	13
English.....	14	19	5	14	16	2	14	21	7	14	24	10	14	26	12	14	27	13	14	28	14	16	31	15
Fuller's earth.....	13	14	1	13	14	1	13	14	1	13	15	2	13	17	4	13	17	4	13	18	5	15	20	5
Iron pyrites, per ton.....	167½	244	76½	167½	200	32½	207½	245	37½	207½	265	57½	207½	286	78½	207½	296	88½	207½	310	102½	232	345	113
Kainit.....	13	14	1	13	14	1	13	15	2	13	17	4	13	18	5	13	19	6	13	20	7	15	22	7
Kaolin.....	13	14	1	13	14	1	13	14	1	13	15	2	13	17	4	13	17	4	13	18	5	15	20	5
Magnesite, Grecian, in bags or bulk.....	13	14	1	13	14	1	13	15	2	13	17	4	13	18	5	13	19	6	13	20	7	15	22	7
Ore, iron, chrome or manganese, per ton.....	216	280	64	176	291	115	241	311	70	273	352	79	295	379	84	306	392	86	320	410	90	356	455	99
Potash:																								
Carbonate of.....	13	19	6	13	13	.....	13	21	8	13	24	11	13	26	13	13	27	14	13	28	15	15	31	16
Muriate of.....	13	14	1	13	13	.....	13	15	2	13	17	4	13	18	5	13	19	6	13	20	7	15	22	7
Sulphate of.....	13	14	1	13	13	.....	13	15	2	13	17	4	13	18	5	13	19	6	13	20	7	15	22	7
Rice, brewers'.....	11	14	3	11	12	1	11	14	3	11	15	4	11	17	6	11	17	6	11	18	7	12	20	8
Salt, mineral, in barrels, 30,000, in boxes, sacks, or bulk, 40,000 pounds.....	13	14	1	13	13	.....	13	14	1	13	15	2	13	17	4	13	17	4	13	18	5	15	20	5
Salt cake.....	13	14	1	13	13	.....	13	14	1	13	15	2	13	17	4	13	17	4	13	18	5	15	20	5
Soda ash.....	13	14	1	13	13	.....	13	14	1	13	15	2	13	17	4	13	17	4	13	18	5	15	20	5
Soda:																								
Bicarbonate.....	13	14	1	13	14	1	13	14	1	13	15	2	13	17	4	13	17	4	13	18	5	15	20	5
Caustic.....	13	14	1	13	14	1	13	14	1	13	15	2	13	17	4	13	17	4	13	18	5	15	20	5
Nitrate of.....	13	19	6	13	16	3	13	21	8	13	24	11	13	26	13	13	27	14	13	28	15	15	31	16
Salt.....	13	14	1	13	14	1	13	14	1	13	15	2	13	17	4	13	17	4	13	18	5	15	20	5
Silicate.....	13	14	1	13	14	1	13	14	1	13	15	2	13	17	4	13	17	4	13	18	5	15	20	5
Sulphate.....	13	14	1	13	14	1	13	14	1	13	15	2	13	17	4	13	17	4	13	18	5	15	20	5
Spiegeleisen, ferromanganese, silicon, pig iron, per ton.....	244	280	36	200	358	158	272	311	39	308	352	44	332	379	47	344	392	48	360	410	50	400	455	55
Sulphur, crude, in bulk.....	14	16	2	14	14	.....	14	18	4	14	20	6	14	21	7	14	22	8	14	23	9	16	20	10

NOTE.—Will include cheap tableware invoiced at prices not exceeding those of English crockery in crates, although such shipments may be marked as "china"; also includes English crockery in packages other than crates.

TABLE 5.—Statement showing import and domestic rates on various commodities from Baltimore, Md., to the several points hereinafter shown, in effect June 24, 1902.
[Rates in cents per 100 pounds, unless otherwise shown, c. l.]

Commodities.	From Baltimore, Md., to—																	
	Cleveland, Ohio.			Pittsburgh, Pa.			Detroit, Mich.; Toledo, Ohio; Columbus, Ohio.			Cincinnati, Ohio.			Indianapolis, Ind.			Grand Rapids, Mich.		
	Import.	Domestic.	In favor of import.	Import.	Domestic.	In favor of import.	Import.	Domestic.	In favor of import.	Import.	Domestic.	In favor of import.	Import.	Domestic.	In favor of import.	Import.	Domestic.	In favor of import.
Ammonia, sulphate of.....	12	15	3	10	11	1	12	17	5	12	19	7	12	20	8	12	21	9
Asphaltum.....	15	22	7	15	18	3	15	22	7	15	22	7	15	22	7	15	22	7
Bagging.....	12	13	1	12	13	1	12	13	1	12	13	1	12	14	2	12	14	2
Bleach.....	13	15	2	13	15	2	13	17	4	13	19	6	13	20	7	13	21	8
Brimstone, crude, in bulk.....	15	22	7	15	18	3	15	24	9	15	27	12	15	30	15	15	31	16
Burlaps.....	17	18	1	17	18	1	17	20	3	17	23	6	17	25	8	17	26	9
Castor beans.....	10	13	3	10	11	1	10	13	3	10	14	4	10	16	6	10	16	6
Cement.....	12	13	1	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4
Clay.....	15	18	3	15	18	3	15	20	5	15	23	8	15	25	10	15	26	11
Crockery:																		
Common (see note).....	13	18	5	13	15	2	13	20	7	13	23	10	13	25	12	13	26	13
English (see note).....	12	13	1	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4
Fuller's earth.....	147½	224	76½	147½	180	32½	187½	225	37½	187½	245	57½	187½	266	78½	187½	276	88½
Iron pyrites, per ton.....	12	13	1	12	13	1	12	14	2	12	16	4	12	17	5	12	18	6
Kainit.....	12	13	1	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4
Kaolin.....	12	13	1	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4
Magnesite, Grecian, in bags or bulk.....	196	260	64	221	269	48	221	291	70	253	332	79	275	359	84	286	372	86
Ore, iron, chrome, or manganese, per ton.....	12	13	1	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4
Potash:																		
Carbonate of.....	12	18	6	12	18	6	12	20	8	12	23	11	12	25	13	12	26	14
Murate of.....	12	13	1	12	13	1	12	14	2	12	16	4	12	17	5	12	18	6
Sulphate of.....	12	13	1	12	13	1	12	14	2	12	16	4	12	17	5	12	18	6
Rice, brewers'.....	10	13	3	10	11	1	10	13	3	10	14	4	10	16	6	10	16	6
Salt, min. in barrels, 30,000; in boxes, sacks, or bulk, 40,000 pounds.....	12	13	1	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4
Salt cake.....	12	13	1	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4
Soda ash.....	12	13	1	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4
Soda:																		
Bicarbonate.....	12	13	1	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4
Caustic.....	12	13	1	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4
Nitrate of.....	12	18	6	12	15	3	12	20	8	12	23	11	12	25	13	12	26	14
Sal.....	12	13	1	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4
Silicate.....	12	13	1	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4
Sulphate.....	12	13	1	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4
Spiegelisen, ferromanganese, silicon, and pig iron, per ton.....	224	290	66	180	335	155	252	291	39	288	332	44	312	359	47	324	372	48
Sulphur, crude, in bulk.....	13	15	2	13	15	2	13	17	4	13	19	6	13	20	7	13	21	8

NOTE.—Will include cheap tableware invoiced at prices not exceeding those of English crockery in crates, although such shipment may be marked "china"; also includes English crockery in packages other than crates.

TABLE 6.—Statement showing import and domestic rates on various commodities from Newport News, Va., to various points shown below, in effect June 24, 1902.
[Rates in cents per 100 pounds, unless otherwise shown.]

Commodities.	From Newport News, Va., to—																	
	Cleveland, Ohio.			Detroit, Mich.; Toledo, Ohio; Columbus, Ohio.			Cincinnati, Ohio.			Indianapolis, Ind.			Grand Rapids, Mich.			Chicago, Ill.		
	Import.	Domestic.	In favor of import.	Import.	Domestic.	In favor of import.	Import.	Domestic.	In favor of import.	Import.	Domestic.	In favor of import.	Import.	Domestic.	In favor of import.	Import.	Domestic.	In favor of import.
Ammonia, sulphate of.....	12	16	4	12	17	5	12	18	6	12	18	6	12	19	7	12	20	8
Asphaltum.....	15	22	7	15	17	2	15	18	3	15	18	3	15	19	4	15	20	5
Bagging and burlaps.....	12	13	1	12	13	1	12	13	1	12	14	2	12	14	2	12	15	3
Bleach.....	15	16	1	15	17	2	15	18	3	15	18	3	15	19	4	15	20	5
Brewers' rice.....	224	259	35	252	291	39	288	332	44	312	358	46	324	372	48	340	390	50
Fireproofing—building tile, per ton.....	224	448	224	252	448	196	288	493	205	312	515	203	324	537½	213½	340	560	220
Salt glazed brick, per ton.....	13	16	3	13	17	4	13	18	5	13	18	5	13	19	6	13	20	7
Brimstone, in bulk.....	17	20	3	17	20	3	17	22	5	17	23	6	17	24	7	17	25	8
Castor beans.....	10	13	3	10	13	3	10	14	4	10	16	6	10	16	6	10	17	7
Cement.....	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4	12	17	5
Clay.....	15	20	5	15	20	5	15	22	7	15	23	8	15	24	9	15	25	10
Coal facings or ground anthracite coal.....	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4	12	17	5
Crockery, in crates.....	11	16	5	13	17	4	13	18	5	13	18	5	13	19	6	13	20	7
Earth paint, in iron, or ocher, dry, in sacks, barrels, bags, or bulk.....	147½	224	76½	187½	381	198½	187½	288	160½	187½	403	215½	187½	425½	238	187½	340	152½
Fuller's earth.....	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4	12	17	5
Grecian magnesite, in bulk.....	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4	12	17	5
Iron pyrites, per ton 2,240 pounds.....	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4	12	17	5
Kainit.....	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4	12	17	5
Kaolin.....	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4	12	17	5

TABLE 6.—Statement showing import and domestic rates on various commodities from Newport News, Va., to various points shown below, in effect June 24, 1902—Continued.

Commodities.	From Newport News, Va., to—																							
	Cleveland, Ohio.			Detroit, Mich.; Toledo, Ohio; and Columbus, Ohio.			Cincinnati, Ohio.			Indianapolis, Ind.			Grand Rapids, Mich.			Chicago, Ill.			Peoria, Ill.			East St. Louis, Ill.		
	Im-port.	Do-mes-tic.	In favor of im-port.	Im-port.	Do-mes-tic.	In favor of im-port.	Im-port.	Do-mes-tic.	In favor of im-port.	Im-port.	Do-mes-tic.	In favor of im-port.	Im-port.	Do-mes-tic.	In favor of im-port.	Im-port.	Do-mes-tic.	In favor of im-port.	Im-port.	Do-mes-tic.	In favor of im-port.	Im-port.	Do-mes-tic.	In favor of im-port.
Paper:																								
Building or roofing, in rolls, bundles, or crates.....	17	20	3	19	20	1	20	22	2	20	23	3	20	24	4	22	25	3	25	28	3	26	30	4
Printing, n. o. s., in bundles, crates, or boxes.....	17	20	3	19	20	1	20	22	2	20	23	3	20	24	4	22	25	3	25	28	3	26	30	4
Wrapping, n. o. s., in bundles or crates.....	17	20	3	19	20	1	20	22	2	20	23	3	20	24	4	22	25	3	25	28	3	26	30	4
Wrapping, straw or manila, in rolls, bundles, or crates.....	17	20	3	19	20	1	20	22	2	20	23	3	20	24	4	22	25	3	25	28	3	26	30	4
Wrapping, wood pulp, in rolls or bundles.....	17	20	3	19	20	1	20	22	2	20	23	3	20	24	4	22	25	3	25	28	3	26	30	4
Phosphate, concentrated.....	13	15	2	14	17	3	16	18	2	17	18	1	18	19	1	19	20	1	21	23	2	23	24	1
Potash, muriate and sulphate.....	12	13	1	12	14	2	12	16	4	12	17	5	12	18	6	12	19	7	14	21	7	14	23	9
Salt, minimum weight in barrels, 30,000 in boxes, sacks, or bulk, 40,000 pounds.....	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4	12	17	5	14	19	5	14	20	6
Salt cake.....	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4	12	17	5	14	19	5	14	20	6
Soda:																								
Bicarbonate.....	12	13	1	12	13	1	12	14	2	12	16	4	12	16	4	12	17	5	14	19	5	14	20	6
Nitrate.....	12	20	8	12	20	8	12	22	10	12	23	11	12	24	12	12	25	13	14	28	14	14	30	16
Soda ash, soda silicate, sulphate, caustic, and sal.....	12	13	1	12	13	1	12	13	1	12	14	2	12	14	2	12	15	3	14	17	3	14	18	4
Spiegeleisen, per ton of 2,240 pounds.....	224	260	36	252	288	331	288	331	43	312	324	324	340	390	50	380	50	380	50	380	50	404	26	30
Starch.....	17	20	3	19	20	1	20	22	2	20	23	3	21	24	3	22	25	3	25	28	3	26	30	4
Sulphur, in bulk.....	13	16	3	13	17	4	13	18	5	13	18	5	13	19	6	13	20	7	15	23	8	16	24	8

CLASS RATES.

Classes.	From Newport News, Va., to—																							
	Buffalo, N. Y.			Pittsburgh, Pa.			Cleveland, Ohio.			Detroit, Mich.			Toledo, Ohio.			Cincinnati, Ohio.			Grand Rapids, Mich.			Chicago, Ill.		
	Im-port.	Do-mes-tic.	Favor im-port.	Im-port.	Do-mes-tic.	Favor im-port.	Im-port.	Do-mes-tic.	Favor im-port.	Im-port.	Do-mes-tic.	Favor im-port.	Im-port.	Do-mes-tic.	Favor im-port.	Im-port.	Do-mes-tic.	Favor im-port.	Im-port.	Do-mes-tic.	Favor im-port.	Im-port.	Do-mes-tic.	Favor im-port.
First class.....	39	59	20	37	54	17	49	45	54	51	51	54	51	54	3	57	54	62	54	64	56	59	67	59
Second class.....	33	50	17	31	47	16	42	38	47	44	43	47	43	47	4	49	47	52	47	54	48	51	57	51
15 per cent less than second class.....	28	42	14	26	40	14	36	33	40	37	36	40	36	40	3	43	40	47	40	48	41	47	47	41
Third class.....	23	41	13	27	35	8	33	33	35	34	36	36	36	36	3	41	38	44	40	45	41	40	47	43
20 per cent less than third class.....	22	33	11	22	28	6	26	26	28	27	29	29	29	29	2	39	36	42	38	43	39	37	43	39
Fourth class.....	19	28	9	18	24	6	23	22	24	25	24	24	24	24	2	27	25	30	27	31	28	29	32	29
Fifth class.....	16	24	8	15	20	5	20	18	20	21	20	20	20	20	2	23	22	25	23	26	24	25	27	25
Sixth class.....	13	19	6	12	16	4	17	15	16	18	17	17	17	17	1	19	18	20	18	21	19	21	22	20

NOTE 1.—Applicable on import shipments in force from May 15 to Nov. 15 of each year.

NOTE 2.—Applicable on import shipments in force from Nov. 15 to May 15 of each year.

TABLE 7.—Statement showing class rates, import and domestic, from Montreal, Quebec; Quebec, Quebec; and Halifax, Nova Scotia, to Chicago, Ill.

[Rates in cents per 100 pounds.]

From—	To Chicago, Ill.					
	Class 1.	Class 2.	Class 3.	Class 4.	Class 5.	Class 6.
Montreal, Quebec:						
Domestic.....	66	58	45	31	26	22
Import.....	54	47	37	27	23	20
Quebec, Quebec: ¹						
Domestic.....	75	63	49	36	31	27
Halifax, Nova Scotia: ¹						
Domestic.....	85	75	60	45	38	32

¹ No import rates on file.

The import commodity rates shown in the preceding statements as applying from New York, Boston, and Portland, to Chicago, Ill., and points in the Middle West, also apply from Montreal, Quebec, to same points.

There being no domestic commodity rates applying on the same commodities covered by the import tariffs, no comparison of import with domestic rates on such commodities has been made from Montreal.

TABLE 8.—Statement showing import and domestic rates on various commodities from New Orleans, La., to Texas common points, in effect June 24, 1902.
[Rates in cents per 100 pounds.]

Commodities.	From New Orleans, La., to Abilene, Bowie, Brownwood, Corpus Christi, Dallas, Denison, Fort Worth, Gainesville, Marshall, Paris, Sherman, Terrell, Texarkana, Weatherford and Wichita Falls, Tex.					
	Import.		Domestic.		In favor of import.	
	L. C. L.	C. L.	L. C. L.	C. L.	L. C. L.	C. L.
Ale and porter, in glass, packed, o. r. b.	59	47	87	64	28	17
Beer, in glass, packed	59	26	87	42	28	16
Bags, burlap, gunny, or jute, in bales or bundles, straight or mixed, c. l.	61	47	81	64	20	17
Burlaps, in bales or bundles	61	47	81	64	20	17
Bagging for baling cotton, in bales or rolls	61	21	81	30	20	9
Bleaching powder, n. o. s. (see also Soda)	61	35	81	47	20	12
Chicory, in double bags:						
Ground	61	47	81	64	20	17
Not roasted	78	61	103	81	25	20
China, majolica, and porcelain ware, o. r. b., viz:						
In barrels, boxes, casks, or tierces	87	87	120	120	33	33
In crates	130 1/2	130 1/2	153	153	22 1/2	22 1/2
China clay, in casks	65	19	87	30	22	11
Chloride of zinc	68	47	81	64	13	17
Crockery, o. r. b., released (value not to exceed \$500 per car), viz:						
In barrels or boxes	78	47	103	64	25	17
In crates, tierces, casks, or ho sheads	65	47	87	64	22	17
Cotton piece goods (as described in note 1, p. 5)	61	61	81	81	20	20
Cyanide of potassium	87	87	120	120	33	33
Drugs, n. o. s., in boxes	87	87	120	120	33	33
Duck, cotton, unbleached, in bales	61	61	81	81	20	20
Dry goods, n. o. s.	87	87	120	120	33	33
Fuller's earth, in casks	61	36	81	48	20	12
Furniture, viz:						
Iron bedsteads, k. d.	78		103		25	
Brass bedsteads, k. d.	87		120		33	
Glass (common window), boxed, viz:						
External measurement of package exceeding 86 united inches, o. r.	87	45	120	57	33	12
External measurement of package not exceeding 86 united inches, o. r.	78	45	103	57	25	12
External measurement of package not exceeding 68 united inches, o. r.	61	45	81	57	20	12
Glass, common, viz: Light or heavy, in crates, casks, or hogsheds, released	78	61	103	57	25	
Groceries, n. o. s., viz:						
Classified first class in western classification	87	87	120	120	33	33
Classified second class in western classification	78	78	103	103	25	25
Classified third class in western classification	65	65	87	87	22	22
Classified fourth class in western classification	61	61	81	81	20	20
Hardware	78		103		25	
Iron articles:						
Bar, band, boiler, and rod, straight or mixed, c. l.	61	32	81	44	20	12
Galvanized sheet iron	61	39	81	64	20	25
Jute yarn	87		120		33	
Mineral water, viz:						
In glass, cans, or jugs, packed	65	32	87	44	22	12
In wood	61	32	81	44	20	12
Paper stock		25		37		12
Pickles:						
In glass, packed, o. r. b.	52	36	103	48	51	12
In barrels, kegs, kits, or casks	52	36	81	48	29	12
Preserves, viz:						
In glass or stone jars, packed, o. r. b.	65	47	81	44	16	
In tin cans, boxed	61	47	81	44	20	
Rice, in bags, barrels, or tierces, o. r. b.	61	32	81	44	20	12
Sauces, in glass, packed, o. r. b.	55	36	87	64	32	28
Saltpeter	61	47	81	64	20	17
Sheep dip, viz:						
Liquid or powdered, straight, c. l.	65	36	87	48	22	12
Paste	61	36	81	48	20	12
Soda:						
Ash, in barrels or casks, minimum weight, 30,000 pounds	61	35	81	47	20	12
Caustic, in barrels or casks, minimum weight, 30,000 pounds	61	35	81	64	20	29
Bicarbonate of	65	35	87	64	22	29
Sulphate of copper, in iron-banded casks only	61	47	81	64	20	17
Tin plate, in boxes, released, o. r., wet, rust, or damage	61	47	81	64	20	17
Toys, n. o. s. (except toy drums and trunks), boxed, released	87	87	120	120	33	33
Wine, whisky, brandy, and cordials, viz:						
In glass, boxed, o. r. released, value limited to 50 cents per gallon	59	50	120	84	61	25
In wood, released	59	59	103	84	44	25

TABLE 9.—Statement showing rates on various commodities, import and domestic, from New Orleans, La., to Denver, Colorado Springs, Pueblo, Trinidad, and intermediate points in Colorado and New Mexico, in effect June 24, 1902.
[Rates in cents per 100 pounds.]

Commodities.	From New Orleans, La., to Denver, Colorado Springs, Pueblo, Trinidad, and intermediate points in Colorado and New Mexico.					
	Import.		Domestic.		In favor of import.	
	L. C. L.	C. L.	L. C. L.	C. L.	L. C. L.	C. L.
Ale, beer, and porter, in glass, packed, o. r. b.	110	65	125	77	15	12
Bags, burlap, gunny or jute burlap, gunny or jute bagging, straight or mixed c. l., minimum weight, 30,000 pounds	110		125		15	
Bleaching powder, n. o. s.	110	65	125	77	15	12
Cement, c. l., minimum weight, 30,000 pounds	84		97		13	
Minimum weight, 40,000 pounds		25		35		10
Chicory, in double bags	84	65	97	77	13	12
China and majolica ware, o. r. b., released, in barrels, boxes, casks, or tierces	180		205		25	
China clay, in casks	110	65	125	77	15	12

TABLE 9.—Statement showing rates on various commodities, import and domestic, from New Orleans, La., to Denver, Colorado Springs, Pueblo, Trinidad, and intermediate points in Colorado and New Mexico, in effect June 24, 1902.—Continued.

Commodities.	From New Orleans, La., to Denver, Colorado Springs, Pueblo, Trinidad, and intermediate points in Colorado and New Mexico.					
	Import.		Domestic.		In favor of import.	
	L. C. L.	C. L.	L. C. L.	C. L.	L. C. L.	C. L.
Chloride of zinc.....	84	65	97	77	13	12
Crockery and earthenware, o. r. b., released (value not to exceed \$500 per car), viz:						
In barrels or boxes.....	148	65	165	77	17	12
In crates, tierces, casks, or hogsheads.....	110	65	125	77	15	12
Cotton piece goods (as described in note 1).....	150	150	205	205	55	55
Cyanide of potassium.....	180	110	205	125	25	15
Denims, straight c. l., minimum weight 30,000 pounds.....		100		175		75
Duck, cotton, unbleached, in bales, straight c. l., or in mixed c. l. with brown cotton bags and bagging, minimum weight 30,000 pounds.....		82		175		93
Drugs, n. o. s.....	180	180	205	205	25	25
Dry goods, n. o. s., in boxes.....	180	180	205	175	25	
Fuller's earth, in casks.....	84	82	97	62	13	40
Furniture, viz:						
Brass bedsteads, minimum weight 12,000 pounds.....	180	95	205	110	25	15
Iron bedsteads, minimum weight 20,000 pounds.....	148	82	165	95	17	13
Glass, common window, boxed, viz:						
External measurement of packages exceeding 85 united inches, o. r.....	180	65	205	77	25	13
External measurement of packages not exceeding 85 united inches, o. r.....	148	65	165	77	17	12
External measurement of packages not exceeding 68 united inches, o. r.....	84	65	97	77	13	12
Glass, common, viz:						
Classified first class in western classification.....	180	180	205	205	25	25
Classified second class in western classification.....	148	148	165	165	17	17
Classified third class in western classification.....	110	110	125	125	15	15
Classified fourth class in western classification.....	84	84	97	97	13	13
Light or heavy, in crates, casks, or hogsheads, released.....	148	84	165	97	17	13
Hardware.....	148	148	165	165	17	17
Iron articles, viz:						
Angle, bar, rod, band, boiler, tank, and skelp, and boiler plates, straight or mixed, c. l.....	84	65	97	77	13	12
Galvanized sheet iron.....	84	65	97	77	13	12
Jute yarn, in bales, boxes, or hogsheads.....	148	84	165	97	17	13
Mineral waters, viz:						
In glass, cans, or stone jugs, packed.....	110	30	125	37	15	7
In wood.....	84	30	97	37	13	7
Paper stock.....		43		53		10
Pickles, in tin or in glass, packed or in barrels, kegs, or kits.....	84	65	97	77	13	12
Porcelain ware, viz:						
In barrels, boxes, or kegs.....	180		205		25	
In casks or hogsheads.....	148		165		17	
Preserves, viz:						
In glass or in stone jars, packed, o. r., released.....	84	65	97	77	13	12
In tin cans, boxed.....	84	65	97	77	13	12
Rice, in bags, barrels, or tierces, o. r. l., released.....	84	65	97	77	13	12
Saltpeter.....	84	65	97	77	13	12
Sheep dip, viz:						
Liquid or powdered, straight, c. l.....	110	52	125	63	15	11
Paste.....	84	52	97	63	13	11
Soda:						
Ash, in barrels or casks, minimum weight 30,000 pounds.....	84	48	97	55	13	7
Caustic, in barrels or casks, minimum weight 30,000 pounds.....	84	48	97	55	13	7
Bicarbonate of.....	84	65	97	77	13	12
Stoneware (not crockery), n. o. s., o. r. b., released value not to exceed \$500 per car, viz:						
In barrels or boxes.....	148	62	165	72	17	10
In crates, casks, or hogsheads—						
Weighing 1,000 pounds or less.....	84	62	97	72	13	10
Weighing over 1,000 pounds.....	110	62	125	72	15	10
Sulphate of copper (blue vitriol), in iron-bound casks only.....	84	53	97	65	13	12
Table sauces, in glass or tin, boxed or in bulk, in barrels.....	110	65	125	77	15	12
Tin plate, minimum weight 30,000 pounds.....	84	62	97	69	13	7
Toys, n. o. s. (except toy drums), boxed, released.....	180	180	205	205	25	25
Wine, whisky, brandy, and cordials, viz:						
In wood, o. r., released value limited to 50 cents per gallon, c. l., minimum weight 24,000 pounds.....		105		115		10
In wood.....	148		153		5	
In glass.....	180		200		20	

TABLE 10.—Comparison of import and domestic rates from New York, N. Y., to Chicago, Ill., effective Dec. 31, 1902—Jan. 1, 1903.

[Rates in cents per 100 pounds, except those marked *, which are per ton of 2,240 pounds.]

Commodities.	Dec. 31, 1902.				Jan. 1, 1903.			
	Import.		Domestic.		Import.		Domestic.	
	L. C. L.	C. L.	L. C. L.	C. L.	L. C. L.	C. L.	L. C. L.	C. L.
Ammonia, sulphate of.....		15		25		15		25
Asphaltum, minimum weight 40,000 pounds.....		18		20		18		20
Bagging.....		18		25		18		30
Beans (castor).....				30		20		30
Bleach.....		15		18		15		25
Brimstone, crude, in bulk.....		16		25		16		25
Burlaps.....		18		25		18		35
Cement, minimum weight 38,000 pounds, except that when capacity of the car is less the actual capacity of the car will govern, but in no case shall minimum c. l. weight be less than 30,000 pounds.....		13		20		13		20
Clay.....		15		20		15		25
Crockery: ¹								
Common.....	18	18						
English, in crates.....	18	16			25	25		
English, except in crates, and all German crockery and china, in boxes, slatted boxes, barrels, casks, or hogsheads.....					40	30		

¹As described in import tariffs.

TABLE 10.—Comparison of import and domestic rates from New York, N. Y., to Chicago, Ill., effective Dec. 31, 1902-Jan. 1, 1903—Continued.

Commodities.	Dec. 31, 1902.				Jan. 1, 1903.			
	Import.		Domestic.		Import.		Domestic.	
	L. C. L.	C. L.	L. C. L.	C. L.	L. C. L.	C. L.	L. C. L.	C. L.
Crockery or earthenware, n. o. s. ¹								
In boxes or slatted boxes, minimum weight 24,000 pounds.....	18	18	65	30	40	30	65	30
In crates, barrels, tierces, casks, or hogheads, minimum weight 24,000 pounds.....	18	18	40	30	40	30	40	30
In bulk, to be loaded and unloaded by consignor and consignee, minimum weight 24,000 pounds (rule 5 C to apply upon excess c. l. quantities when in packages).....				30				30
Ferromanganese.....		*400		*450		*420		*495
Fuller's earth.....		15		20		15		22
Glass, plate, minimum weight 30,000 pounds.....		35		65				
Iron pyrites, minimum 15 gross tons.....		*247½		*330		*260		*350
Kainit.....		15		22		15		22
Kaolin.....		15		20		15		20
Magnesite, Grecian, in bags or in bulk.....		16		20		15		22
Manganese.....		*360		*450		*360		*495
Ore (iron chrome or manganese).....		*360		*560		*360		*495
Pig iron, all kinds.....		*400		*420		*420		*462
Potash:								
Carbonate of, in casks.....		15		30		15		
Muriate of.....		15		22		15		22
Sulphate of.....		15		15		15		22
Rice, brewers'.....		18		18		18		25
Salt, minimum weight in barrels, 30,000 pounds, in boxes, sacks, bulk, or in mixed c. l., 40,000 pounds.....		13		20		13		20
Salt cake.....		15		20		15		20
Soda ash.....		15		18		15		18
Soda:								
Bicarbonate.....		15		20		15		20
Caustic.....		15		18		15		18
Nitrate.....		15		30		15		
Sal, silicate, or sulphate.....		15		18		15		18
Spiegeleisen.....		*400		*450		*420		*495
Sulphur, crude, in bulk.....		16		25		16		25

¹ As described in official classification.² In crates, 25 cents, any quantity.

TABLE NO. 11.—Customs duties upon articles mentioned in the commodity rate tables.

Ale, in casks, 20 cents per gallon; in bottles or jugs, 40 cents per gallon; nonalcoholic, unmalted, 20 per cent.
Ammonia, sulphate of, three-tenths of a cent a pound.
Asphaltum:
Manufactures of, 35 per cent.
Cells, 35 per cent.
Crude, not dried or advanced, \$1.50 a ton.
Dried or otherwise advanced, or treated, \$2 a ton.
Epure, \$3 a ton.
Ground or in leaves, 20 per cent.
Limestone rock, containing not over 15 per cent bitumen, 50 cents a ton.
Trinidad, \$1.50 a ton.
Bagging:
Dundee, not suitable for covering cotton, 45 per cent.
Fireproof, exported and returned, free.
For cotton, composed of single yarns of jute, jute butts or hemp, not bleached, dyed, or colored, not over 16 threads square inch, and weighing not less than 15 ounces square yard, six-tenths of a cent per square yard.
Jute for tailors' use, 45 per cent.
Jute press cloth, 45 per cent.
Waste, fit only for manufacture of paper, free.
Bags:
Made from plain woven fabrics of single jute yarns, not dyed, colored, stained, painted, printed, or bleached, and not exceeding 30 threads to the square inch, seven-eighths of a cent a pound and 15 per cent.
American, exported with allowance for drawback and reimported, subject to duty equal to drawback.
Beaded, 60 per cent.
Bead, 35 per cent.
Burlap, seven-eighths of a cent a pound and 15 per cent.
Burlaps, striped, 45 per cent.
Domestic, exported filled and returned empty, to exporter thereof, free.
Domestic, imported by agent of exporter, free.
Game—
Leather, 35 per cent.
Leather and flax, flax chief value, 45 per cent.
Hemp, manufactures of, 45 per cent.
India rubber—
For balloons, 30 per cent.
With tin whistles, 30 per cent.
Jute, striped, 45 per cent.
Paper, 35 per cent.
Silk, 50 per cent.
Beans, castor, 50 pounds to the bushel, 25 cents per bushel.
Bedsteads:
Iron, 45 per cent.
Brass, 45 per cent.
Beer:
In bottles or jugs, 40 cents a gallon, no additional duty on the bottles or jugs.
Otherwise, 20 cents a gallon.
Condensed, 40 per cent.
Peptonized (minimum, 25 per cent), 55 cents per pound.

Bleach:

Bleaching liquid, 25 per cent.
 Bleaching powder, one-fifth of a cent a pound, or 20 per cent.
 Brandy, \$2.25 a gallon.
 Brick, soft glazed, 45 per cent.
 Brimstone, crude, free.

Burlap:

Plain woven of single jute yarns, not exceeding 60 inches in width, weighing not less than 6 ounces per square yard and not exceeding 30 threads per square inch, five-eighths of a cent per pound and 15 per cent; exceeding 30 and not exceeding 55 threads per square inch, seven-eighths of a cent a pound and 15 per cent.
 Bags or sacks made from plain woven fabrics of single jute yarn not dyed, colored, stained, painted, printed, or bleached, and not exceeding 30 threads per square inch, seven-eighths of a cent a pound and 15 per cent.
 Bagging for cotton composed of single jute yarns not bleached, dyed, colored, stained, painted, or printed, not exceeding 16 threads per square inch and weighing not less than 15 ounces per square yard, six-tenths of a cent per square yard.
 Black, 45 per cent.
 Crash, 45 per cent.
 Jute press cloth, 45 per cent.
 Manufactured in part of flax, 45 per cent.
 Starched buckram, 45 per cent.
 Tubing, 45 per cent.

Cement:

Bicycle, 20 per cent.
 Fire, 20 per cent.
 Furnace, 20 per cent.
 India rubber, 20 per cent.
 Roman, Portland, and other hydraulic, in packages, including weight of package, 8 cents per 100 pounds.
 In bulk, 7 cents per 100 pounds.
 Not specifically provided for, 20 per cent.

Chicory, ground, 2½ cents per pound.

China:

Balls, for sign work, plain, 55 per cent.
 Clock cases, with or without movements, decorated, 60 per cent; plain white, 55 per cent.
 Dolls and doll heads, 35 per cent.
 Plaques—
 Decorated, 60 per cent.
 Plain white, 55 per cent.
 Toys and tea sets, decorated, 60 per cent.
 Toys and tea sets, plain white, 55 per cent.
 Vases, decorated, 60 per cent; plain white, 55 per cent.

Clay, including kaolin, \$1 to \$2.50 per ton; molding clay, 20 per cent; common blue clay, free.

Coal facings not specifically provided for.

Coal, anthracite, free.

Copper, sulphate, one-half of a cent per pound.

Cordials, \$2.25 a gallon.

Cotton piece goods, duty depends upon number of threads per square inch, whether bleached, dyed, colored, stained, painted, or printed, and also upon value.

Crockery, decorated, 60 per cent; plain, 55 per cent.
Denims, straight, as cotton cloth.

Duck:

Cotton, 35 per cent.

Crown cotton, not specifically provided for.

Earth, fullers', unwrought and unmanufactured, \$1.50 a ton; wrought and manufactured, \$3 a ton.

Earthenware, brown, common, 25 per cent. Articles not specifically provided for: Decorated, 60 per cent; plain, white, 55 per cent. Numerous other kinds of earthenware are specified.

Ferromanganese, \$4 a ton.

Glass:

Common window—

Not exceeding 10 by 15 inches square, 1½ cents a pound.

Exceeding 10 by 15, not exceeding 16 by 24 inches square, 1½ cents a pound.

Exceeding 16 by 24, not exceeding 24 by 30 inches square, 2½ cents a pound.

Exceeding 24 by 30, not exceeding 24 by 36 inches square, 2½ cents a pound.

Exceeding 24 by 36, not exceeding 30 by 40 inches square, 3½ cents a pound.

Exceeding 30 by 40, not exceeding 40 by 60 inches square, 3½ cents a pound.

Exceeding 40 by 60 inches square, 4½ cents a pound.

If imported in boxes, shall contain 50 square feet, as nearly as sizes will permit, and the duty shall be computed thereon according to the actual weight of glass.

Plate, fluted, rolled, ribbed, or rough, or the same containing a wire netting within itself—

Not exceeding 16 by 24 square inches, three-fourths of a cent a square foot.

Exceeding 16 by 24, not exceeding 24 by 30 inches square, 1½ cents a square foot.

Exceeding 24 by 30 inches square, 1½ cents a square foot.

If weighing over 100 pounds per 100 square feet, it shall pay an additional duty on the excess at the same rate herein imposed; if ground, smoothed, or otherwise obscured, pay same rate of duty as cast polished plate glass unsilvered.

Plate, cast, polished, finished, or unfinished, and unsilvered—

Not exceeding 16 by 24 inches square, 8 cents a square foot.

Exceeding 16 by 24, not exceeding 24 by 30 inches square, 10 cents a square foot.

Exceeding 24 by 30, not exceeding 24 by 60 inches square, 22½ cents a square foot.

Exceeding 24 by 60 inches square, 35 cents a square foot.

Plate, cast, polished, silvered, and looking-glass plates exceeding 144 square inches—

Not exceeding 16 by 24 inches square, 11 cents a square foot.

Exceeding 16 by 24, not exceeding 24 by 30 inches square, 13 cents a square foot.

Exceeding 24 by 30, not exceeding 24 by 60 inches square, 25 cents a square foot.

Exceeding 24 by 60 inches square, 38 cents a square foot.

Plate and looking-glass plate, silvered, when framed, shall not pay a less rate of duty than that imposed on similar glass not framed, but shall pay in addition the duty upon said frames.

Plate, cast, polished, silvered, or unsilvered, when bent, ground, obscured, frosted, sanded, enameled, beveled, etched, embossed, engraved, flashed, stained, colored, painted, or otherwise ornamented or decorated, shall pay in addition to the rates chargeable thereon 5 per cent.

Gunny bags, seven-eighths of a cent per pound and 15 per cent.

Gunny cloth, composed in whole or in part of hemp, flax, jute, or jute butts, not bleached, not exceeding 16 threads to the square inch, weighing not less than 15 ounces per square yard, six-tenths of a cent per square yard.

Iron:

Pig, \$4 a ton.

Boiler, plate, not thinner than No. 10 wire gauge, sheared or un-

sheared—

Valued at 1 cent per pound or less, five-tenths of a cent per pound.

Above 1 cent and not above 2 cents, six-tenths of a cent per pound.

Above 2 cents and not above 4 cents per pound, 1 cent per pound.

Valued at over 4 cents per pound, 25 per cent.

Boiler, plate, thinner than No. 10 wire gauge shall pay as iron or steel sheets.

Scrap, \$4 a ton.

Russian sheet, no specific provision for.

Pyrites, containing in excess of 25 per cent sulphur, free.

Ironware, manufactures of iron, not otherwise provided for, 45 per cent.

Jute, free.

Jute, dyed, 45 per cent.

Kainit, free.

Kaolin:

Ball clay, as clay unwrought, \$1 per ton.

Cornish stone, as crude mineral, free.

Kiln dried, for clearing wines, 20 per cent.

China clay, \$2.50 per ton.

Magnesite, Grecian:

Magnesite—

Crude, free.

Calcined and ground as cement, 20 per cent.

Ore:

Iron, 40 cents a ton.

Chrome, free.

Manganese, free.

Paint:

Ocher and ochery earths, crude or not powdered, washed or pulverized, one-eighth of a cent per pound; if powdered, washed, or pulverized, three-eighths of a cent per pound; if ground in oil or water, 1½ cents per pound.

Sienna and sienna earths, crude, not powdered, washed, or pulverized, one-eighth of a cent per pound; if powdered, washed, or pulverized, three-eighths of a cent per pound; ground in oil or water, 1½ cents per pound.

Paint—Continued.

Umber and umber earths, crude, not powdered, washed, or pulverized, one-eighth of a cent a pound; if powdered, washed, or pulverized, three-eighths of a cent per pound; ground in oil or water, 1½ cents per pound.

Paper stock:

Fit only for such use, free.

Flax card waste, free.

Jute waste, free.

Linen thread waste, free.

Linen waste, free.

Rag pulp, cotton, chief value, 45 per cent.

Tow, free.

Spruce, cull deals, \$1 a thousand feet.

Wood, free.

Paper:

Wall, 25 per cent.

Surface coated, not specifically provided for, 2½ cents a pound and 15 per cent if printed, or wholly or partly covered with metal or its solution, or with gelatin or flock, 3 cents a pound and 20 per cent.

Phosphate, concentrated, not specifically provided for.

Pickles of all kinds, not specifically provided for, 40 per cent.

Plate:

Tin or sheets, iron or steel, or taggers' iron or steel, coated with tin or lead or with a mixture of which these metals or either of them is a component part, by the dipping or any other process, and commercially known as tin plates, terne plates, and taggers' tin, 1½ cents per pound.

Tin, nickel plated, 1½ cents per pound.

Porter, in bottles or jugs, 40 cents per gallon; no additional duty on coverings; otherwise than in bottles or jugs, 20 cents per gallon.

Potash:

Carbonate of, free.

Muriate of, free.

Sulphate of, free.

Potassium, cyanide, 12½ per cent.

Preserves, 1 cent per pound and 35 per cent.

Proofing, fire, not specifically provided for.

Rice, brewers'; no specific provision for.

Salt:

In bags, sacks, barrels, or other packages, 12 cents per 100 pounds.

In bulk, 8 cents per 100 pounds.

Salt cake, \$1.25 per ton.

Salt-peter:

Crude, free.

Refined or partly refined, ½ cent per pound.

Sauces:

Apple, 1 cent per pound and 35 per cent.

French mustard, 10 cents per pound.

Other sauces, 30 to 40 per cent.

Sheep dip, liquid, powdered, or paste, free.

Silicon, not specifically provided for.

Soda:

Ash, three-eighths of a cent per pound.

Bicarbonate of, three-fourths of a cent per pound.

Caustic, three-fourths of a cent per pound.

Nitrate, free.

Sal, two-tenths of a cent per pound.

Silicate, one-half cent per pound.

Sulphate, \$1.25 per ton.

Spiegeleisen, \$4 per ton.

Starch, 1½ cents per pound.

Stoneware:

Common brown, 25 per cent.

Decorated, 60 per cent.

Plain white, 55 per cent.

Sulphur, crude, free.

Tile:

Valued not over 40 cents per square foot, 8 cents per square foot. Over 40 cents per square foot, 10 cents per square foot and 25 per cent.

Hard bodied, plain, unglazed, 4 cents per square foot.

Slate, 20 per cent.

Toys:

Dolls, doll heads, toy marbles of whatever materials composed, and all other toys not composed of rubber, china, porcelain, parian, bisque, earthen or stone ware, and not specifically provided for, 35 per cent.

Composed of bisque, china, crockeryware, earthenware, parian, porcelain or stoneware, plain white, 55 per cent; if decorated, 60 per cent.

Waters, mineral, all imitations of natural mineral waters and all artificial mineral waters not specifically provided for in green or colored glass bottles:

Containing not more than 1 pint, 20 cents per dozen.

Containing over 1 pint, not over 1 quart, 30 cents per dozen.

No additional duty on the bottles.

Otherwise than as above specified, 24 cents per gallon. Additional duty on coverings.

Whisky, \$2.25 per gallon.

Wine:

Chinese, \$2.25 per gallon.

Champagne and all other sparkling wines, in bottles—

Containing each not more than 1 quart and more than 1 pint,

\$8 per dozen.

Containing not more than 1 pint and more than one-half pint,

\$4 a dozen.

Containing one-half pint each or less, \$2 a dozen.

In bottles or other vessels containing more than 1 quart each, in addition to \$8 a dozen bottles on the quantity in excess of 1 quart, \$2.50 per gallon, but no additional duty on the bottles.

Yarn, jute, single, not finer than 5 lea or number, 1 cent per pound and 10 per cent; finer than 5 lea or number, 35 per cent.

Zinc, chloride, 1 cent per pound; in solution, 25 per cent.

TABLE 12.—Customs duties upon articles mentioned in testimony which take class rates, with the classification of such articles in less than carload and carload quantities under the official classification.

Articles.	Customs duties.	Classification.	
		L. C.	L. C.
Acid.....	Acetic, 1.047 specific gravity and under, three-fourths of a cent per hundred pounds; over 1.047 specific gravity, 2 cents per pound; boracic, 5 cents per pound; chromic, 3 cents per pound; citric, 7 cents per pound; gallic, 10 cents per pound; lactic, 3 cents per pound; salicylic, 10 cents per pound; n. s. p. l. or oil of vitrol, one-fourth cent per pound; tannic, 50 cents per pound; tartaric, 7 cents per pound.		
Acetic, liquid, in barrels or iron drums.....		3	5
Boracic, chromic, citric, gallic, salicylic, n. o. s.—			
Dry—			
In boxes.....		2	2
In kegs, barrels, or casks.....		3	4
Liquid—			
In glass packed in boxes or barrels (c. l. minimum weight, 20,000 pounds).....		1	3
In carboys (c. l. minimum weight, 24,000 pounds).....		1	5
In iron drums.....		(1)	5
In tank cars to be furnished by consignors (minimum weight, maximum capacity tank, empty tanks returned free).....			5
Lactic, in kegs or barrels.....		3	5
Tannic, in barrels.....		1	5
Tartaric—			
In boxes.....		2	
In kegs, barrels, or casks.....		3	4
Almonds.....	Not shelled, 4 cents per pound; shelled, 6 cents per pound; bitter, not shelled, 4 cents per pound; bitter, shelled, 6 cents per pound.		
Nuts, edible, n. o. s.—			
In shell—			
In single bags (c. l., minimum weight 24,000 pounds).....		2	4
In double bags or boxes (c. l., minimum weight 24,000 pounds).....		2	4
In barrels or casks (c. l., minimum weight 24,000 pounds).....		3	4
Shelled.....		1	1
Books.....	Children's lithographed, weighing not over 24 ounces each, 8 cents a pound.....	1	2
Chocolate.....	Valued not over 15 cents a pound, 2½ cents a pound.....	2	3
Corks:			
Over three-fourths inch diameter at larger end.....	15 cents a pound.....	1	1
Three-fourths inch and less in diameter at larger end.....	25 cents a pound.....	1	1
Crackers, fire.....	Including weight of wrappers, 8 cents per pound.....	2	4
Creosote, wine of.....	55 cents per pound.....	(1)	5
Currents, Zante.....	3 cents a pound.....	3	4
Dates.....	One-half cent a pound.....	2	4
Fertilizer material.....	Sulphate of ammonia, three-tenths of a cent a pound.....	4	6
Filberts.....	Unshelled, 3 cents a pound; shelled, 5 cents a pound.....		
Classification—			
Nuts, edible, n. o. s.—			
In shell—			
In single bags (c. l., minimum weight 24,000 pounds).....		1	4
In double bags or boxes (c. l., minimum weight 24,000 pounds).....		2	4
In barrels or casks (c. l., minimum weight 24,000 pounds).....		3	4
Shelled.....		1	1
Fish, dried and salted.....	Three-fourths of a cent a pound.....	5	5
Glycerin.....	Crude, 1 cent a pound; refined, 3 cents a pound.....	3	4
Hemp.....	\$20 a ton.....	(1)	5
Hops.....	12 cents a pound.....	1	2
Lead, red.....	2½ cents a pound.....	4	5
Linens:			
Hydraulic hose.....	20 cents a pound.....	1	1
Threads, twines, or cords.....	Made from yarn not finer than 5 lea or number, 13 cents a pound; if made from yarn finer than 5 lea or number, additional for each lea or number in excess of 5, three-fourths of a cent a pound. Single in the gray, not finer than 8 lea or number, 7 cents a pound.....	1	1
Yarns.....	1½ cents a pound.....	3	5
Macaroni.....	2 cents a pound.....	3	4
Prunes.....			
Pumice stone:			
Manufactured wholly or in part.....	\$6 per ton.....	(1)	5
Artificial.....	do.....	(1)	5
Powdered.....	do.....	(1)	5
Rags, wool:			
In bales.....	10 cents per pound.....	5	5
In sacks or crates.....	do.....	2	2
Rope:			
Wire, with hemp core.....	Highest rate assessable on wire used and in addition 1 cent per pound.....	(1)	5
Wire.....	do.....	(1)	5
Seeds, rice.....	1 cent per pound.....	4	6
Sisal grass or sun cables, cordage and twine made of, excepting binding twine.....	do.....	3	4
Soap.....	Castile, 1½ cents per pound; fancy, perfumed, and all descriptions of toilet soap, including so-called medicinal or medicated soaps, 15 cents per pound.	(1)	5
Steel:			
Sheets—			
Cleaned by acids or by any other material or process. Common or black, of whatever dimensions, value 3 cents per pound or less.....	In addition to rate on steel sheets two-tenths of 1 cent per pound.....		5
Thinner than No. 10 and not thinner than No. 20 wire gauge, seven-tenths of 1 cent per pound; thinner than No. 20 but not thinner than No. 25 wire gauge, eight-tenths of 1 cent per pound; thinner than No. 25 wire gauge, 1.1 cents per pound; thinner than No. 32 wire gauge, 1.2 cents per pound.....			5
Coated with tin or lead or a mixture of tin or lead with other metal and commercially known as tin plate or taggers' tin.....	1½ cents per pound.....		5

1 Rule 26, 20 per cent less than third class.

TABLE 12.—Customs duties upon articles mentioned in testimony which take class rates, etc.—Continue 1.

Articles.	Customs duties.	Classification.	
		L. C. L.	C. L.
Steel—Continued.			
Sheets—Continued.			
Cold rolled.....	In addition to rate on steel sheets two-tenths of 1 cent per pound.....		5
Galvanized or coated with zinc or spelter or other metal.....	do.....		5
Pickled by acid or by any other material or process.....	Pay duty on steel sheets and in addition two-tenths of 1 cent per pound.....		5
Polished or planished.....	2 cents per pound.....		5
Smoothed only, not polished.....	As sheets, common or black, and in addition two-tenths of 1 cent per pound.....		5

Mr. CUMMINS. I desire now, in order to bring this subject to date, to say that some time ago I addressed a communication to the Interstate Commerce Commission asking them to give me some information with regard to the existing rate on certain things, and I hold in my hand the reply of the commission to that request.

The first sheet is thus described by the commission itself:

Rates on grain, c. l.—

Which means carload, I suppose—

from points in Canada to points in the United States, compared with the rates on grain, c. l., from points in the United States for like distances to same points of destination.

This, Mr. President, is peculiarly interesting because we have now established free trade between the United States and Canada, or free trade on our part in these grains, and it is of the highest importance, therefore, that railroads shall not discriminate against our own producers of wheat or of grain and in favor of Canadian producers of grain. Everyone who knows anything about the subject knows that the discrimination of a cent a bushel, or even less than that, will give Canada our market as against our own farmers.

Now, I want the chairman of the Finance Committee to listen while I read not what may be done, but what is being done now.

Canadian points by way of Canada Northern Railway:

To Duluth, Minn., that being a point at which comparison can be made, the freight rate on grain from Emerson, Manitoba, 370 miles from Duluth, is 12 cents per hundred. The freight rate upon the same grain from Fairdale, N. Dak., 368 miles from Duluth, is 13 cents per hundred. So the grain buyer or the grain producer who lives in or near Emerson, or any point that takes the same freight rate, is now enabled to bring his grain to an American market over a distance of 370 miles for 1 cent per hundred pounds less than can his American competitor.

Mr. CLAPP. Mr. President—

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. CUMMINS. I do.

Mr. CLAPP. Are both those points on the same road?

Mr. CUMMINS. They are not. That is, these rates are not given over the same road. The rate that I have read from Fairdale, N. Dak., to Duluth is given over the Soo Line.

Again, Boynton, N. Dak., is 371 miles away from Duluth, and it pays 14½ cents per hundred pounds in order to get its grain to Duluth, while Winnipeg, which is 376 miles away, gets the grain of that vicinity at 12 cents per hundred pounds, and these same disparities exist with regard to barley and rye and flaxseed, all of which are mentioned and collected in the sheet to which I refer.

It can not be that the American Congress is willing that a discrimination of this sort shall be practiced against our own people in view of the fact especially that we have now withdrawn from the American farmer the protection which he has hitherto enjoyed.

Mr. CLAPP. Mr. President—

Mr. CUMMINS. I yield to the Senator from Minnesota.

Mr. CLAPP. More to elicit information, if the Senator has it, has the Senator any comparison there on the same line of railway, as a rate from a Canadian point to Duluth and a rate from a State point to Duluth?

Mr. CUMMINS. No; I have not. I assume there is no opportunity to make that exact comparison. There may be, however, I am not familiar enough with the situation to know whether there is or not.

Mr. CLAPP. Let me say that I was curious to know, as I had not given any personal investigation to it of late, whether

under the existing conditions as to the regulation of freight that would apply with reference to the same railroad.

Mr. CUMMINS. I will presently show just how the commission looks at this matter. I do not think, however, that what I will present will be an answer to the question just propounded. I do not know whether it would be permitted or not by the commission. I want to make it impossible for the commission to permit it.

Mr. CLAPP. If the Senator will pardon a further interruption—

Mr. CUMMINS. Certainly.

Mr. CLAPP. I rose merely for the purpose of ascertaining whether the Senator had that information.

Mr. CUMMINS. From Saskatoon, Canada, to Duluth, \$93 miles, the rate is 22 cents per hundred. The domestic rate from Billings, Mont., which is the same distance from Duluth, is 28 cents per hundred pounds. On flaxseed from Saskatoon to Duluth the rate is 23 cents and from Billings 30 cents, the distance being within a mile of the same.

I ask, Mr. President, to print, in connection with what I am now saying, the two sheets which have been furnished me by the Interstate Commerce Commission, and to which I have referred.

The VICE PRESIDENT. Is there objection? The Chair hears none, and permission is granted.

The matter referred to is as follows:

INTERSTATE COMMERCE COMMISSION,
DIVISION OF TARIFFS,
Washington, August 26, 1913.

MEMORANDUM.

Rates on grain, c. l., from points in Canada to points in the United States, compared with the rates on grain, c. l., from points in the United States of like distances to same points of destination:

From—	Distance from Duluth.	To Duluth, Minn., and Superior Wis.			
		Wheat.	Barley and rye.	Corn and oats.	Flaxseed.
Canadian points via Canadian Northern Ry.:	Miles.				
Emerson, Manitoba.....	370	12	12	12	13
Winnipeg, Manitoba.....	376	12	12	12	13
Portage la Prairie, Manitoba.....	432	12	12	12	13
Brandon, Manitoba.....	512	13	13	13	14
Dauphin, Manitoba.....	554	15	15	15	16
Kamsack, Saskatchewan.....	655	17	17	17	18
Regina, Saskatchewan.....	733	18	18	18	19
Saskatoon, Saskatchewan.....	893	22	22	22	23
United States points via Soo Line:					
Fairdale, N. Dak.....	368	13	13	13	14
Boynton, N. Dak.....	371	14½	14½	14½	15½
Nekoma, N. Dak.....	377	13	13	13	14
Bisbee, N. Dak.....	424	13	13	13	14
Bismarck, N. Dak.....	503	16	16	16	17
Lansford, N. Dak.....	517	16	16	16	17
Kenmare, N. Dak.....	556	17	17	17	18
United States points via Northern Pacific Ry.:					
Parkin, N. Dak.....	656	18	18	18	19
Allard, Mont.....	657	21	21	21	23
Mott, N. Dak.....	729	18	18	18	19
Tusler, Mont.....	737	23½	23½	23½	25½
Billings, Mont.....	892	28	28	28	30

NOTE.—There are no published through rates on grain, c. l., from Canadian points to Chicago, Ill., St. Louis, Mo., etc. Rates are only named to the eastern terminals of the Canadian lines, such as Duluth, Minn., etc. The Canadian Pacific Ry. published commodity rates on grain, c. l., to Duluth, St. Paul, etc., but canceled them on July 5, 1913, providing that class rates would thereafter apply. Tariff reference: Canadian Northern Ry., I. C. C. W-194; Canadian Pacific Ry., I. C. C. W-478; M. St. P. & S. S. M. Ry., I. C. C. 2972 and 3188; Northern Pacific Railway, I. C. C. Nos. 5179, 5360, and 5387.

Class and commodity rates applying on domestic and import traffic from Boston, Mass., and New York, N. Y., to points shown below.
[Rates in cents per 100 pounds, except as noted.]

From—	To Cleveland, Ohio.				To Cincinnati, Ohio.				To Toledo, Ohio.			
	Bos- ton.	New York.	Bos- ton.	New York.	Bos- ton.	New York.	Bos- ton.	New York.	Bos- ton.	New York.	Bos- ton.	New York.
	Domestic.		Import.		Domestic.		Import.		Domestic.		Import.	
Articles taking first class.....	53	53	48	53	65	65	60	65	59	59	54	59
Articles taking second class.....	46	46	42	46	57	57	53	57	51	51	47	51
Articles taking third class.....	36	36	33	36	44	44	41	44	39	39	36	39
Articles taking fourth class.....	25	25	23	25	30	30	28	30	27	27	25	27
Articles taking fifth class.....	21	21	19	21	26	26	24	26	23	23	21	23
Articles taking sixth class.....	18	18	16 $\frac{1}{2}$	18	22	22	20 $\frac{1}{2}$	22	20	20	18 $\frac{1}{2}$	20
Earthenware, earloads, in boxes, tierces, crates, and hogsheds.....	29	29	126	126	35	35	129	129	31	31	123	123
Dry goods in boxes.....	53	53	48	53	65	65	60	65	59	59	54	59
Bar iron, c. l.....	21	21	19	21	26	26	24	26	23	23	21	23
Billets and blooms, c. l., iron, per 2,240 pounds.....	355	355	116 $\frac{1}{2}$	118	435	435	204	222	390	390	118 $\frac{1}{2}$	120
Band iron, c. l.....	21	17 $\frac{1}{2}$	17	21	26	20 $\frac{1}{2}$	20 $\frac{1}{2}$	24	23	18 $\frac{1}{2}$	18 $\frac{1}{2}$	23
Wire in bundles or coils (not copper covered or insulated), c. l.....	21	21	15 $\frac{1}{2}$	21	26	26	18 $\frac{1}{2}$	26	23	23	16 $\frac{1}{2}$	23
Wire rope (iron or steel), on reels or in coils.....	21	21	17 $\frac{1}{2}$	21	26	26	20 $\frac{1}{2}$	26	23	23	18 $\frac{1}{2}$	23
Pig iron, c. l., per 2,240 pounds.....	337	297	118	118	413	373	222	222	331	331	220	220
Iron ore, c. l., per 2,240 pounds.....	230	230	118	118	291	291	22	22	256	256	220	220
Architectural iron, including beams, columns, trusses, bolts, nuts, washers, log bolts, and screws, c. l.....			19	21			24	26			21	23
Hardware, c. l.....			23	25			28	30			25	27
Meat, salt, in boxes, taking fifth class in official classification, c. l.....			19	21			24	26			21	23
Terra cotta, c. l.....			19	21			24	26			21	23
Marble and granite, rough, c. l.....			16 $\frac{1}{2}$	18			20 $\frac{1}{2}$	22			18 $\frac{1}{2}$	20

From—	To Indianapolis, Ind.				To Chicago, Ill.				To Minneapolis, Minn.			
	Bos- ton.	New York.	Bos- ton.	New York.	Bos- ton.	New York.	Bos- ton.	New York.	Bos- ton.	New York.	Bos- ton.	New York.
	Domestic.		Import.		Domestic.		Import.		Domestic.		Import.	
Articles taking first class.....	70	70	65	70	75	75	70	75	115	115	110	115
Articles taking second class.....	60	60	56	60	65	65	61	65	99	99	95	99
Articles taking third class.....	47	47	44	47	50	50	47	50	76	76	73	76
Articles taking fourth class.....	33	33	31	33	35	35	33	35	53	53	51	53
Articles taking fifth class.....	28	28	26	28	30	30	28	30	46	46	44	46
Articles taking sixth class.....	23	23	21 $\frac{1}{2}$	23	25	25	23 $\frac{1}{2}$	25	38	38	36 $\frac{1}{2}$	38
Earthenware, earloads, in boxes, tierces, crates, and hogsheds.....	38	38	129	129	40	40	129	129	61	61	58	58
Dry goods in boxes.....	70	70	65	70	75	75	70	75	115	115	110	115
Bar iron, c. l.....	28	28	26	28	30	30	28	30	44	44	44	46
Billets and blooms, c. l., iron, per 2,240 pounds.....	465	465	221 $\frac{1}{2}$	223	500	500	223 $\frac{1}{2}$	225	700	700	700	700
Band iron, c. l.....	28	21	21	28	30	21	21	30	44	44	44	46
Wire in bundles or coils (not copper covered or insulated), c. l.....	28	28	19	28	30	30	19	30	35	35	44	46
Wire rope (iron or steel), on reels or in coils.....	28	28	21	28	30	30	21	30	37	37	44	46
Pig iron, c. l., per 2,240 pounds.....			402	223			435	225			635	38
Iron ore, c. l., per 2,240 pounds.....			313	223			340	225			600	238
Architectural iron, including beams, columns, trusses, bolts, nuts, washers, log bolts, and screws, c. l.....			20	28			28	30			44	46
Hardware, c. l.....			31	33			33	35			51	53
Meat, salt, in boxes, taking fifth class in official classification, c. l.....			26	28			28	30			44	46
Terra cotta, c. l.....			26	28			28	30			44	46
Marble and granite, rough, c. l.....			21 $\frac{1}{2}$	23			23 $\frac{1}{2}$	25			36 $\frac{1}{2}$	38

¹ L. c. l.

² Per 100 pounds.

Mr. CUMMINS. I have also, Mr. President, a sheet furnished by the commission showing the disparity in rates upon some commodities and some classes of goods from the eastern coast into the West. They are substantially different from those I have already indicated and which existed several years ago, but inasmuch as they are of recent date I ask that this sheet may also be inserted.

Mr. NORRIS. I wish to ask the Senator a question.

Mr. CUMMINS. I yield to the Senator.

Mr. NORRIS. In connection with the other rates the Senator gave from the eastern coast, I wish he would give us some rates that he has tabulated there.

Mr. CUMMINS. The first-class rate on domestic products from Boston to Cleveland is 53 cents per hundred. The import rate is 48 cents per hundred. On the second class the domestic rate is 46 cents and the import rate 42 cents.

On the sixth class the rates are the same. On band iron, for instance (and that covers a very large class of iron), the domestic rate from Boston to Cleveland is 21 cents and the import rate is 17 $\frac{1}{2}$ cents.

In some of these they have not given the domestic rate. They have not given the domestic rate upon meat; I do not know why; but while there are some commodities upon which the rates are the same, in by far the greater number the rate upon the domestic product is greater than upon the imported article of like kind.

Mr. NORRIS. Is that the commodity rate?

Mr. CUMMINS. The last I gave was the commodity rate.

Mr. POINDEXTER. I suppose that the statistics which the Senator has are confined to import rates as compared with domestic rates.

Mr. CUMMINS. Entirely.

Mr. POINDEXTER. They do not deal with the discriminations in the export rate of the railroads.

Mr. CUMMINS. They do not. I have not sought to include export rates, because they are in no wise connected with the tariff. Whatever discriminations may exist is properly a discrimination in favor of our own people against some foreign country, and I am not half as solicitous about that as I am about the discrimination against our own people.

Mr. POINDEXTER. On the contrary, the kind of export rates which I have in mind are discriminations against our own people. The only difference is the character of the discrimination. What the Senator is now referring to is a discrimination against the domestic shipper, and the rates I refer to are discriminations against our consumers of domestic goods—in both cases in favor of the foreigner. For instance, the State of Washington pays higher rates from Minneapolis, Chicago, and other eastern points than the export rates to Yokohama and Hongkong from the same points. They catch us going and coming.

Mr. CUMMINS. My amendment covers the import rate, of course.

Mr. POINDEXTER. I am speaking of the exports. However, that is a different subject.

Mr. CUMMINS. It is a different subject. There are discriminations in export rates that are entirely indefensible, but

inasmuch as they do not pertain in any way to the protection of the American producer, which I think is unduly taken from him in this bill, I have not sought to incorporate that subject into the amendment.

Mr. NORRIS. I wish the Senator would give us the date of this table.

Mr. CUMMINS. The date of the table I now have is August 26, 1913. I will send it to the desk.

After I presented the amendment, Mr. President, some time ago, I received a letter from the Standard Rice Milling Co., of Austin, Tex. I will not read the letter, as the whole of it would not be material to the subject I am discussing, but I desire to read a part of it:

The following are the rates quoted us on domestic and imported brewers' rice by the railroads, applying from Galveston, Tex., to the points named below: To Chicago, Ill.,—domestic rate, 28 cents; imported rate, 15 cents.

I pause here to say that evidently the common carriers are given the same rate from the point of origin for this rice, whether Japan, China, Java, or wherever it may be grown, to the point of consumption as is given from Galveston to the point of consumption or to the market.

To La Crosse, Wis., the domestic rate is 29½ cents, and the imported rate 24½ cents.

To Milwaukee, Wis., domestic rate, 30; imported rate, 15.

To Minneapolis, Minn., domestic rate, 29½; imported rate, 24½.

To Quincy, Ill., domestic rate, 24; imported rate, 15.

To St. Louis, Mo., domestic rate, 20; imported rate, 15.

To St. Paul, Minn., domestic rate, 29½; imported rate, 24½.

To Cincinnati, Ohio, domestic rate, 26½; imported rate, 15.

To Peoria, Ill., domestic rate, 28; imported rate, 17.

And so on throughout the list, which means practically all the States in the northern part of our country. Mr. President, I ask that I may be permitted to insert this table as a part of my remarks.

The VICE PRESIDENT. It may be inserted.

The table referred to is as follows:

Following are the rates quoted on domestic and imported brewers' rice by the railroads applying from Galveston, Tex., to the points named below:

To Chicago, Ill., domestic rate, 28 cents; import rate, 15 cents.
To La Crosse, Wis., domestic rate, 29½ cents; import rate, 24½ cents.
To Milwaukee, Wis., domestic rate, 30 cents; import rate, 15 cents.
To Minneapolis, Minn., domestic rate, 29½ cents; import rate, 24½ cents.

To Quincy, Ill., domestic rate, 24 cents; import rate, 15 cents.
To St. Louis, Mo., domestic rate, 20 cents; import rate, 15 cents.
To St. Paul, Minn., domestic rate, 29½ cents; import rate, 24½ cents.
To Des Moines, Iowa, domestic rate, 28 cents; import rate, 28½ cents.
To Cincinnati, Ohio, domestic rate, 26½ cents; import rate, 15 cents.
To Peoria, Ill., domestic rate, 28 cents; import rate, 17 cents.
To Council Bluffs, Iowa, domestic rate, 28 cents; import rate, 15 cents.
To Omaha, Nebr., domestic rate, 28 cents; import rate, 23 cents.
To Fort Dodge, Iowa, domestic rate, 39 cents; import rate, 23 cents.
To Fort Scott, Kans., domestic rate, 32 cents; import rate, 20 cents.
To Dubuque, Iowa, domestic rate, 35 cents; import rate, 22 cents.
To Leavenworth, Kans., domestic rate, 32 cents; import rate, 20 cents.
To Alton, Ill., domestic rate, 35 cents; import rate, 15 cents.
To Cedar Rapids, Iowa, domestic rate, 38 cents; import rate, 25.0 cents.

To Jefferson City, Mo., domestic rate, 25 cents; import rate, 20 cents.
To Lincoln, Nebr., domestic rate, 37 cents; import rate, 26 cents.
To Ogden, Utah, domestic rate, \$1.04; import rate, 68 cents.
To Salt Lake City, Utah, domestic rate, \$1.04; import rate, 68 cents.
To St. Joseph, Mo., domestic rate, 32 cents; import rate, 20 cents.
To Atchison, Kans., domestic rate, 32 cents; import rate, 20 cents.
To Sioux City, Iowa, domestic rate, 37 cents; import rate, 25 cents.
To Springfield, Mo., domestic rate, 32 cents; import rate, 20 cents.

Mr. CUMMINS. I need not go further with regard to the facts which are known to everybody. I have read these illustrations that it might be known that I am not trying to legislate against a phantom. It is a real condition and it is a serious one to the American producer.

I now refer to the law of the matter, and that I can do very briefly. When the interstate-commerce act was passed in 1887 most people believed that it prohibited, as a matter of law, just such discriminations as I have cited, just as most people believed that it conferred upon the commission the power to fix a rate after it had condemned a rate that had been established by the railway company.

I have now no doubt, speaking for myself alone, that the original act prohibited just such disparities as I have been reciting.

Any fair, reasonable interpretation of the law must reach that result, and so thought the commission and so ruled the commission for years. One of their very luminous decisions upon this question occurred in 1891, in the case of the Commercial Exchange of Philadelphia and the San Francisco Chamber of Commerce against the Pennsylvania Railroad Co. and a great many other railroad companies, practically all the railroad companies in the United States.

The very question I am now discussing arose before the commission, namely, whether an imported commodity should be carried from New York to Chicago at a lower rate than a simi-

lar commodity produced in the United States and given to the railroad company or the common carrier at that point for the first time.

The Interstate Commerce Commission upon that hearing—and it was a very extensive and careful hearing—ruled that the law of 1887 required the railroad companies of this country to carry freight under those conditions for a like rate, and that any difference between the rates brought about by the fact that one article may have been imported from abroad and the other article produced in the United States was an unfair and an unjust and an unreasonable discrimination against the domestic producer.

That remained for some time the accepted law of the country; it remained for some time the rule of the Interstate Commerce Commission; but in 1896 a case reached the Supreme Court involving that construction of the law. Indeed the case was one brought to enforce the very order to which I have referred, to carry out the ruling that had been made in the case which I have already mentioned. Then the Supreme Court of the United States held that, as a matter of law, there was no discrimination by allowing different rates upon like commodities, one being shipped from abroad and one having originated in the United States.

Senators will remember that this was about the time that the Supreme Court of the United States seemed to be industriously engaged in limiting the powers of the Interstate Commerce Commission. It was just before we entered upon that era when real life was given to the commission; it was just a year later, as Senators will remember, that the Supreme Court held that the act of 1887 did not give to the commission the power to fix a rate for the future after it had rejected one that had been established by the railway company on account of its unreasonableness or on account of its discrimination; but, at any rate, the court held in the case to which I have referred—it being the case of the Texas Pacific Railway against the Interstate Commerce Commission, in one hundred and sixty-second United States Reports, page 197—that the shipment from abroad must be examined from exactly the same standpoint as the shipment at home, and that the same rule that permitted the commission to authorize or to approve a regulation to charge a less rate per ton per mile for a long haul than for a short haul permitted a lesser rate proportionately to be charged upon freight shipped from a foreign country; and it remitted the whole subject to the commission with the direction that in each case the commission must determine, as a matter of fact, whether a discrimination existed. Since that time these discriminations have been permitted. It is to change the law that I introduced this amendment.

Without any censure or criticism of the Supreme Court, I find an interpretation of the law of 1887 that is not in accordance with the intent of its authors; that is not in accordance with the best thought of the American people; that is not just. Therefore I desire to change it and treat shipments coming from abroad a little differently from the way in which we treat shipments originating in our own country.

Just a moment with regard to the long and short haul idea.

Mr. GALLINGER. Mr. President—

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from New Hampshire?

Mr. CUMMINS. I do.

Mr. GALLINGER. Before the Senator reaches that point in his argument, will the Senator tell me, if he can, why it is that these arrangements are made with the shipper of foreign goods that their shipments shall be carried over the American railroads at a less rate than the products of our own people are carried?

Mr. CUMMINS. I do not know why the Interstate Commerce Commission permits it. I do know that the Supreme Court has held that the law does not require foreign products to be carried at the same rate that domestic products are carried; and the Interstate Commerce Commission, looking at a shipment originating in Liverpool and ending in Chicago, treats the shipment as one covering 4,000 miles and, therefore, entitled to be carried at a less rate per ton per mile than in case the shipment were only a thousand miles. Of course, after reaching that kind of result, the proportion which the American railroad receives from the entire haul must be less than is charged to the domestic shipper.

Mr. GALLINGER. That is, they count the water transportation as a part of the haul?

Mr. CUMMINS. They do. That is the very theory upon which the Supreme Court proceeded in its construction of the act of 1887.

Mr. WARREN. And the object, of course, of those interested in the merchandise is to get it delivered to the destination at a

lower price than the local home product could be delivered at the same place?

Mr. CUMMINS. Precisely. One of the instances which appeared in the case to which I refer before the Interstate Commerce Commission was this: The rate on dry goods from Liverpool to San Francisco through New Orleans was \$1.17 a hundred, and the rate on dry goods from New Orleans to San Francisco was \$3.74 a hundred. The whole traffic at that time was full of such glaring instances of discrimination.

Mr. GALLINGER. It would seem that it comes pretty near nullifying any advantage that might arise from the tariff duties.

Mr. CUMMINS. The Senator from New Hampshire was not here, I think, when I put into the Record a report of the Interstate Commerce Commission made in 1903 under a resolution of the Senate, which was intended to discover to what extent this discrimination had nullified the protection that had been given to our own industries. In one of the tables that will be printed it will be found just how far this discrimination invaded the protection that had been given by the law. In many of the commodities the difference in the transportation charge between domestic products and foreign products over our own soil was more than the duty itself.

Mr. GALLINGER. Mr. President, I regret that I was unavoidably kept out of the Chamber when the Senator discussed that feature of this most interesting question. I am very glad that it has gone into the Record, and I will now take the liberty of saying, if the Senator will permit me one moment, that I am in profound sympathy with the effort the Senator is making to remedy this very flagrant evil, as I regard it.

Mr. CUMMINS. Mr. President, I was about to comment upon the reason which does allow a lesser charge per ton per mile for a long haul than a short haul. It is said, first—and it is true probably—that the cost of service per ton per mile is slightly less. Why? Because the terminal expense is distributed over a longer distance and results, therefore, in a lesser cost per mile. The second reason—and I desire Senators to mark that, because it is a part of the history of the development of this science in America—the second reason is to bring every part of the United States as closely together as possible, to bring the producing regions close to the consuming regions, to annihilate distance, in other words, because it is believed that it results in the welfare of all the people. For that reason the rate of freight on butter from my own State to Boston is not much greater than the rate on butter from New Hampshire to Boston.

Whether or not that can be defended I will not pause to inquire. I only know that it is inspired and founded upon the patriotic sentiment that we are one country, that we ought to bring ourselves as close together as it is possible to do, and therefore, we do permit, in many instances, the carriage of freight over long distances at a greatly disproportionate rate as compared with a shorter distance.

But I beg you to reflect and to ask yourselves whether that should apply to the foreign producer? Is it our purpose to apply that same patriotic sentiment to the development of foreign enterprises? Do we desire by the application of this rule to bring the foreign producer, our competitor, into our market upon the application of the same principle? I disclaim it. I want to do our rivals abroad justice, but I am not willing to confer upon them the same privileges that we are willing to confer upon our own distant producers. If we waive what might be called the strict rule of transportation in favor of an American, we are not compelled to waive it in favor of those across the sea.

Mr. BRANDEGEE. Mr. President—

Mr. CUMMINS. I yield to the Senator from Connecticut.

Mr. BRANDEGEE. I wanted to ask the Senator, who evidently has given a great deal of attention to this matter, whether it is his idea that unless this cheaper rate were given to the product of the foreign country the railroad would not get the business?

Mr. CUMMINS. The railroad would get the business. If the foreign product comes to the United States, it has to employ a railroad to get very far into the United States after it reaches our ports.

Mr. BRANDEGEE. Certainly; but the object of my inquiry is to find out if the foreign producer knew that he would have to pay the same rate as is charged to our domestic producer in the limits of our country, whether the market would sustain him in shipping his product to this country?

Mr. CUMMINS. Mr. President, that question can not be answered generally and with either yes or no; but under the bill which we are about to pass, with its greatly reduced duties,

I think the foreign producer will be able to enter our markets with a great many articles and take our markets, even though he is compelled to pay the same freight rate as his domestic competitor. There may be some articles of which it would be true that, with the enforcement of a reasonable freight rate, he would not be able to enter our markets; but that would not displease me. If, with a fair rate of duty and with a fair rate of transportation, the foreign producer can not compete in our markets with our own people, it is not an occasion, I think, for concern. They have hitherto enjoyed privileges that have not been accorded to our own people, and I now want to remit them to their proper position in the commercial world. Then, if they can compete with us, well and good; but, if they can not, they must suffer the consequences.

Going back for a moment to the rule that controls the lesser charge per ton per mile for the longer distance, allow me to say that there is no difference between foreign freight and home freight so far as the expense of handling it is concerned. If I ship a carload of merchandise from New York to Denver and it passes over the New York Central to Chicago and is there transferred to the Chicago, Rock Island & Pacific and is carried to Denver, there is no terminal charge or cost save that which attaches either to its beginning or to its end; but if I load a carload of freight at a point 300 miles away from Denver and consign it to that city, there is practically the same terminal charge that was incurred in the shipment of 2,000 miles. When freight comes from abroad it is not transferred upon our shores by switching a car and putting it into a train; it is transferred by picking it up and loading it into a car, and it bears no other relation to the transportation of the country than though the same freight were loaded into the car at the initial point.

There is no reason in the through rate or the single charge for freight from points in other countries to points in our own country, because it all comes here on shipboard—that is, I am now speaking of the freight that involves water carriage. It must all be moved from the hold of the ship to the car that is to transport it, and therefore there is no expense saved on the part of a common carrier in taking its freight from the ship as compared with taking its freight from the warehouse of the domestic producer or the domestic shipper. I challenge the citation of any reason whatever, either from the standpoint of the cost of the service or the standpoint of the good of the country, that will lead to a lower charge for a carload of merchandise that comes to America from other countries than for a carload of merchandise that is given to the carrier within the borders of our own country.

Mr. BRANDEGEE. Mr. President, that recurs again to the topic about which I interrogated the Senator a few moments ago. I trust the Senator does not think that in asking these questions I am disagreeing with him. I am inclined to agree with him as at present advised, but I am wondering why this discrimination is granted.

I assume that the railroad would like to get a higher rate, and charges all it can get. The Senator says it does give to the foreign product a lower rate, considering the joint rate covering rail and water transportation. Does the Senator know whether or not under the present tariff schedules the roads could get the business if his amendment prevailed?

Mr. CUMMINS. I do know that there is a great deal that comes from abroad under the present tariff schedule. The proposed tariff schedule is very much lower than the present one; and if anything can come in from abroad under the present tariff schedule more will come in from abroad under the proposed tariff schedule, even though the importer is required to pay a higher freight rate into the interior.

Mr. BRANDEGEE. But still I do not arrive at an answer to the question which I asked, which is, What is the Senator's opinion as to why the railroads give this lower rate now under the proposed tariff or irrespective of the tariff? Why do they discriminate in favor of the foreign producer?

Mr. CUMMINS. Simply for this reason: They make a rate from the foreign country to the interior point in our country. That rate is ordinarily higher, of course, than any local rate in our own country; but in dividing that rate the railroad company is willing to take, and does take, less than the rate which the law has established, or which it has established for a like carriage within our own country.

I can not answer whether or not a particular foreign importer will be able to do business here, if my amendment prevails, without first inquiring into the reduction that is made in the duty upon the article, and comparing that with the disparity in the freight rates.

For instance, I suggested a few moments ago the fact that a crate of crockery, as I remember, coming from abroad through one of our ports to Chicago, had an inland rate of 15 cents a hundred pounds; but if a domestic pottery made the shipment and put it in a car it had to pay 18 cents a hundred pounds for carriage over the same distance to the same point. Baltimore, with its pottery, has to pay a good deal more to get its product to Cincinnati or to Chicago or anywhere in the West than the importer of crockery at Baltimore has to pay when his material comes in.

I have not inquired in each particular instance what effect it would have upon imports. I want to apply a rule which is just and fair and allow the consequences to be whatever they may be. It matters not to me whether or not the foreign manufacturer or producer can endure the change. If he has to have a bounty to do business in America, I do not want him to do business here.

Mr. BRANDEGEE. Mr. President, if the Senator will allow me, I assume that even the preferential rate which the Senator states is now given to the foreigner is a profitable rate to the railroad or else it would not give that rate.

Mr. CUMMINS. I believe it is. Therefore I have provided that in adjusting themselves to this amendment, if it shall become a law, the railroads shall not be permitted to raise the import rate to the domestic rate without the approval of the Interstate Commerce Commission. The rates are not to be raised unless application is made to the commission and approval is given for the increase. I assume that these rates are remunerative; and therefore, until the commission acts, the domestic rates must be reduced to the foreign or import rates.

Mr. President, as usual, I have discussed this matter at much greater length than I had originally intended. I believe it involves a most important question. I believe it is intimately connected with the tariff law. My friends on the other side may reject it with the scorn that was intimated by the Senator from Mississippi [Mr. WILLIAMS] a day or two ago. He may treat it lightly; but there will come a time when the American people will insist upon fair and decent justice in this regard, and it will not be sufficient to say to them that the amendment has no home in a tariff bill. Its very purpose is to repair, in some degree, the losses that may be sustained through undue reductions in import duties. But whatever the purpose may be, I can not conceive of any sufficient answer save the answer the amendment proposes, namely, to take away from foreign countries the unjust advantages they now enjoy.

I ask for the yeas and nays on the amendment.

Mr. SIMMONS. Mr. President, I do not desire to enter upon any discussion of the amendment proposed by the Senator from Iowa, and I do not wish to deny that his amendment has merit in it. It will be observed, however, that the amendment deals only with rates upon articles imported into this country, and seeks to prevent a discrimination in freight rates in favor of those articles as against articles produced in this country. It does not apply in its terms—it does not pretend to so apply—to any discriminations that are made by the railroads in favor of articles exported from this country to foreign countries.

Of course it would be very easy for the Senator to say that the committee might have amended his amendment so as to extend the principle of it to articles exported as well as to those imported. We have not done this, because we did not deem it expedient to undertake to deal with the question of railroad rates in this bill. The Senator has described the gross discrimination practiced by the railroads with reference to transportation charges upon articles of import as compared with rates charged upon articles of domestic consumption. The Senator could have found just as striking cases of discrimination in rates on different articles transported from one section to another section of this country as he has presented to the Senate upon articles imported from abroad into this country.

It is evident that there is something radically wrong in our legislation with reference to railroad rates. In recent years a good deal of the time of the Senate and the House has been occupied in efforts to remedy these evils; but up to this time we have not succeeded in getting at the root of the evil.

Everybody knows that if justice is to be done to the shippers of this country there must be radical reformations in our railroad legislation, and that the powers of the Interstate Commerce Commission must be greatly enlarged in order to enable that body to deal effectively with this great and vital question.

How that is to be done I will not now attempt to discuss. Heretofore I have been rather disposed to support a proposition to eliminate from our legislation the troublesome clause, "under similar conditions and circumstances," which so greatly circumscribes to the powers of the commission and out of which I think much of the trouble has originated. It may be that we shall

in the end find that the Interstate Commerce Commission can not adequately deal with this situation without eliminating that clause and giving it plenary powers to deal with each situation. The question is a large one, and one to which we should give thorough investigation and consideration before action.

I do wish to say, without any reference to the merits of the amendment proposed by the Senator from Iowa, the committee thought, after consideration, that it was best not to undertake in the tariff bill to deal with the railroad question. We thought it was best, in dealing with the tariff, to confine ourselves to the single proposition of reforming and revising the tariff, and in dealing with the currency question we should confine ourselves to reforming and revising our currency legislation. When we shall have settled these great questions, as we hope to do at this session, we will take up the trust and the railroad questions and deal with them as broadly and as comprehensively as we are now dealing with the tariff and the financial questions.

Mr. President, I arose only to give expression to the opinion of the committee that it was not expedient to encumber this bill with the subject matter of the amendment of the Senator from Iowa. I wish we had the time, before the special session ends, to remedy the admitted evils in our railroad legislation. But I think we all feel that when we shall have dealt with the tariff and with the currency we shall be entitled to a little vacation before the next session. At the next session I assure the Senator it is the purpose of the Democratic Party to take up the trust question and the railroad question, and to consider both in an effective and comprehensive way.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Iowa [Mr. CUMMINS], upon which the yeas and nays have been demanded.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. BRYAN (when his name was called). I am paired with the junior Senator from Michigan [Mr. TOWNSEND], and therefore withhold my vote. If I were at liberty to vote, I would vote "nay."

Mr. CHAMBERLAIN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. OLIVER]. In his absence I withhold my vote.

Mr. STERLING (when Mr. CRAWFORD's name was called). I again announce the necessary absence of my colleague [Mr. CRAWFORD]. He is paired with the senior Senator from Tennessee [Mr. LEA]. If present and at liberty to vote, my colleague would vote "yea."

Mr. LEA (when his name was called). I again announce my pair with the Senator from South Dakota [Mr. CRAWFORD]. If I were at liberty to vote, I would vote "nay."

Mr. MARTIN of Virginia (when his name was called). I will state that I am paired with the Senator from Vermont [Mr. PAGE], and therefore refrain from voting. If at liberty to vote, I would vote "nay."

Mr. MYERS (when his name was called). I am paired with the Senator from Connecticut [Mr. McLEAN], and on account of his absence I withhold my vote. If at liberty to vote, I would vote "nay."

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from California [Mr. PERKINS]. He being absent, I will withhold my vote. If at liberty to vote, I would vote "nay."

Mr. THOMAS (when his name was called). I make the same transfer as heretofore announced, and vote "nay."

The roll call was concluded.

Mr. CHILTON. I wish to inquire whether the junior Senator from Maryland [Mr. JACKSON] has voted?

The VICE PRESIDENT. He has not voted.

Mr. CHILTON. I have a pair with that Senator, and can not vote for that reason.

Mr. JAMES. I am paired with the junior Senator from Massachusetts [Mr. WEEKS], and therefore withhold my vote. If I were at liberty to vote, I should vote "nay."

Mr. REED. I have a pair with the Senator from Michigan [Mr. SMITH]. I transfer that pair to the Senator from Arizona [Mr. ASHURST] and vote "nay."

Mr. CLARKE of Arkansas (after having voted in the negative). I desire to ask whether the junior Senator from Utah [Mr. SUTHERLAND] has voted?

The VICE PRESIDENT. He has not.

Mr. CLARKE of Arkansas. I withdraw my vote.

Mr. DILLINGHAM. I wish to announce that my colleague [Mr. PAGE] is paired with the senior Senator from Virginia [Mr. MARTIN].

Mr. SMOOT. I desire to announce that the junior Senator from Idaho [Mr. BRADY] was called from the Chamber. If he were here, he would vote "yea."

Mr. SMITH of Georgia (after having voted in the negative). I wish to withdraw my vote. I am paired with the senior Senator from Massachusetts [Mr. LODGE], and he has not voted.

The result was announced—yeas 24, nays 33, as follows:

YEAS—24.			
Borah	Colt	Kenyon	Poinexter
Bradley	Cummins	La Follette	Root
Brandegee	Dillingham	Lippitt	Sherman
Bristow	Fall	Nelson	Smoot
Cañon	Gallinger	Norris	Sterling
Clapp	Jones	Penrose	Warren
NAYS—33.			
Bacon	O'Gorman	Sheppard	Thomas
Fletcher	Owen	Shields	Thompson
Hitchcock	Pittman	Shively	Thornton
Hollis	Pomerene	Simmons	Vardaman
Hughes	Ransdell	Smith, Ariz.	Walsh
Johnson	Reed	Smith, Md.	Williams
Kern	Robinson	Smith, S. C.	
Lane	Saulsbury	Stone	
Martine, N. J.	Shafroth	Swanson	
NOT VOTING—33.			
Ashurst	Crawford	Lodge	Smith, Ga.
Bankhead	Culberson	McCumber	Smith, Mich.
Brady	du Pont	McLean	Stephenson
Bryan	Goff	Martin, Va.	Sutherland
Burleigh	Gore	Myers	Tillman
Burton	Gronna	Newlands	Townsend
Chamberlain	Jackson	Oliver	Weeks
Chilton	James	Overman	Works
Clark, Wyo.	Lea	Page	
Clarke, Ark.	Lewis	Perkins	

So Mr. CUMMINS's amendment was rejected.

Mr. PENROSE. Mr. President, I desire to offer an amendment to come in at the end of the free list. I should like to have the amendment read.

The VICE PRESIDENT. It will be read.

The SECRETARY. On page 164, after line 5, at the end of section 1, insert:

That whenever articles are exported to the United States of a class or kind made or produced in the United States, if the export or actual selling price to an importer in the United States or the price at which such goods are consigned is less than the actual market value or wholesale price of the same article when sold for home consumption in the usual and ordinary course in the country whence exported to the United States at the time of its exportation to the United States, there shall, in addition to the duties otherwise established, be levied, collected, and paid on such article on its importation into the United States a special duty (or dumping duty) equal to the difference between the said export or actual selling price of the article for export or the price at which such goods are consigned and the said actual market value or wholesale price thereof for home consumption in the country of exportation, and such special duty (or dumping duty) shall be levied, collected, and paid on such article although it is not otherwise dutiable: *Provided*, That the said special duty shall not exceed 15 per cent ad valorem in any case, and that goods whereon the duties otherwise established are equal to 50 per cent ad valorem shall be exempt from such special duty.

"Export price" or "selling price" or "price at which such goods are consigned" in this section shall be held to mean and include the exporter's price for the goods, exclusive of all charges thereon after their shipment from the place whence exported directly to the United States.

Invoices of such goods shall show in parallel columns the export or selling price or price at which the goods are consigned and the actual market value or wholesale price thereof for home consumption in the country of exportation, and the Secretary of the Treasury shall make such rules and regulations as are necessary for the carrying out of the provisions of this section and for the enforcement thereof.

Mr. WILLIAMS. I wish to ask the Senator from Pennsylvania a question. Is not this the dumping clause as it came over from the House?

Mr. PENROSE. No; it goes much further. I was going to explain it briefly to the Senate.

Mr. WILLIAMS. In what part of the bill does the Senator propose to insert it?

Mr. PENROSE. The dumping clause as it came from the House applied only to dutiable articles. This applies also to the free list. Therefore I thought it might come in here. It also could come in after the administrative clause. But I do not think the Senator need raise that point. We might as well dispose of it now as at any other time.

Mr. WILLIAMS. I was going to suggest to the Senator that it had better come in in its regular place.

Mr. PENROSE. As the amendment is not expected to get very far, I hope it may come up now.

Mr. WILLIAMS. All right. I am willing to consider it now.

Mr. PENROSE. Mr. President, this amendment has been drawn with very great care. It goes considerably further than the House provision. In my opinion, there is nothing more desired by the manufacturers of the country than some kind of a dumping clause to be embodied in our tariff law. It is surprising to me that we have not heretofore had some kind of a provision in the protective tariff acts that have been passed during the last 16 years.

Many duties in the pending bill are greatly reduced. The chief use of the duties in a great many cases under the protective system has been to act as a dumping barrier. With the reduction in duties it becomes all the more important to have some kind of a dumping clause in the present bill.

In the pending tariff bill as it passed the House of Representatives there was embodied in the then section 4, now section 5, a subdivision lettered R, which has become somewhat well known under the colloquial designation of the "anti-dumping clause." Briefly stated, it was a statutory provision relating to imported goods which were sold or consigned to the United States at prices lower than at the prices at which such goods were sold for home consumption in the country of exportation. It imposed upon such goods, in addition to the regular duty thereon, a special duty, or dumping duty, equal to the difference between the special export price and the fair market price thereof for home consumption. It extended only to dutiable goods, provided that in no case should it exceed 15 per centum ad valorem, and did not apply at all to goods on which the regular duty equaled 50 per cent. This was new legislation, and in reporting it to the House the chairman of the Ways and Means Committee and his associates made the following remarks:

Paragraph R is new legislation and provides for a dumping duty to guard the producers of the United States against the demoralization of American markets caused by the exportation from foreign countries of articles into the United States at prices less than the fair market value of the same articles when sold for home consumption in the usual and ordinary course in the country from whence they are exported to the United States. We have endeavored to reduce the duties provided for in the present law to a revenue basis, expecting reasonable and fair competition at normal prices, and we are of the opinion that this paragraph will have a tendency to maintain steady and continuous importations all along the line and prevent the demoralization of American markets when abnormal conditions exist abroad, and at the same time have a tendency to maintain a continuous and normal flow of revenue into the Federal Treasury at all times.

This paragraph originated in a Democratic Ways and Means Committee. It was strongly supported on the floor of the House in speeches by two of the Democratic members of that committee, and it passed the House of Representatives by a unanimous vote. It would seem that a measure with such a legislative pedigree would have found favor with the majority members of the Senate Finance Committee as well, but when this bill was reported to the Senate this paragraph was found to have been stricken out entirely and it is no longer in the bill. The following explanation of this action was given by the Finance Committee majority in its report on the pending measure:

We struck out the dumping clause of the House provision, first, because it applied to only dutiable articles, and if to be applied to any articles at all it seemed to us it ought to apply to all; secondly, if it did apply to all it was capable, under an unfriendly administration, of being used as a means of increasing the duty upon dutiable articles 15 per cent, and of putting articles upon the free list under a duty of 15 per cent.

The provisions contained in the existing law with regard to under-valuations and the increasing tax because of it up to 70 per cent is a very good antidumping provision, and, as we are informed and believe, immediately stopped dumping in the American market, and this, too, without making it discretionary with any executive officer (to be exercised in a broad way) to raise the duty.

I shall refer to these objections later on and I hope to demonstrate that one of them has no basis in fact and that the other can be easily mended. They are cited at this point only because they are a part of the history up to the present time of the antidumping clause.

Mr. President, the amendment I have proposed, apart from some slight verbal changes, differs from the provision which came to the Senate in the important feature that its scope is extended so that it applies to free goods as well as to dutiable goods. The Finance Committee majority was of the opinion that if it applied to any articles at all it should apply to those that are free of duty as well as to articles that are dutiable, and I am glad to express my cordial concurrence with my brethren of the committee in this belief.

There is great intrinsic merit in this proposed provision, and in view of the extremely heavy reductions which the bill makes in tariff rates, the amendment is nothing more than common fairness to American growers, producers, and manufacturers. The oft-proclaimed purpose of the majority is to bring about a free and fair competition on even terms between the foreigner and the American, and this amendment is intended to and will have that effect and no other. It must be obvious that you can not have a fair competition unless the competitors are placed on even terms, and this is not the case if the foreigner is permitted to dump his surplus on our markets at prices that do not represent fair or normal conditions of trade and that sometimes are, in fact, below cost. It has been shown time and time again that it is quite common for foreign houses to sell their products for export to the United States at prices mate-

rially lower than they sell them for home consumption, and it has also been shown that in this practice they are not only encouraged but actually aided by their Governments in the way, for example, of preferential rates on State railways for goods intended for exportation. Now, what is this but a species of bounty on exported goods? And when you give the foreigner the privilege of doing this are you not in effect nullifying to an extent the terms of that other provision which you have retained in the law (par. E, sec. 5) and which directs that the amount of any bounty paid upon exportation shall be added to the duties otherwise imposed by this act? The foreign governmental approval and encouragement of the practice of selling goods cheaper abroad than at home is really a tax upon home consumption for the benefit of the export trade and is, in fact, a bounty upon exportation. Because it is not a direct payment it does not fall within the letter of the countervailing duty provision (par. E, sec. 5), and hence it can not be reached through that provision. This circumstance is another reason for the passage of this proposed amendment.

This practice on the part of European nations of dumping their surplus products into foreign markets—and into our markets in particular, for this country, with its vast population and buying power, is ideal for that purpose—has attained astounding proportions in these later days owing to two causes: First, the gigantic development of manufacturing industries in European countries, resulting in a production that can not possibly be absorbed by the home country and must be exported; and, second, the organization and maintenance in European countries of syndicates, conventions, or cartels, as they are variously called, the openly avowed, approved, and effectually accomplished purpose of which is to fix and maintain selling prices in the country of production, punishing any deviation from fixed prices by fines and penalties which are specified in and are part of the convention or agreement. These conventions or agreements sometimes include several European countries, but they always leave the members of the syndicate, convention, or cartel at perfect liberty to sell at whatever price they please in countries that are not included in the convention. Right here I should like to remind the Senate that agreements of this character, which would be made the subject of a criminal prosecution in this country, do not at all incur the disfavor of the Government in foreign countries, but, on the contrary, are actually fostered and encouraged by them. As a matter of fact, the Prussian Government is a partner in the great potash syndicate which controls the world's supply. A very interesting description and discussion of the great German syndicates in the chemical industry will be found in the "Report on Schedule A," made by the Ways and Means Committee of the Sixty-second Congress, second session, on House bill 20182, Report No. 326, page 378 et seq. I referred to it a day or two ago in this Chamber in the discussion of the chemical schedule.

It may be objected that such a provision as this is not in harmony with the general purpose of this bill in that it savors of protection and might deprive the ultimate consumer of the benefit of competition. To that I answer that it is strictly in accord with the repeatedly announced purpose of the pending bill for it does precisely what the bill aims at, namely, it preserves competition by preserving the competitors. It is better by far when there are two competitive groups that both groups shall continue to exist and compete rather than that competition should be wholly eliminated by the destruction of one of the groups of competitors. Such a consummation is not to the public benefit. Since we pass laws and create a commission for the purpose of preventing railroads from bankrupting themselves by cut-throat competition in rates, may we not in framing our tariff laws keep in mind the desirability of preserving competition by preventing the destruction at least of American competitors? This must appeal to all, whether of the high tariff, low tariff, or tariff for revenue persuasion.

I am not asking in the guise of this amendment for a tariff wall to protect American producers from fair competition. Expose them to the severest competition if you will—and you seem bound to do so—but at least be fair and give them an even chance. They do not get an even chance when we permit our markets to be glutted with foreign goods dumped here at prices with which it is hopeless to compete. No commercial or manufacturing enterprises can stand up against such a competition, and it is not an honest competition in the broad sense. The principle underlying my contention is the essential unfairness and the economic unsoundness of this abnormal cutthroat competition. Taking a broad view, this practice on the part of foreign manufacturers of dumping vast quantities of their products on the American market, often at an actual loss, in competition with domestic goods manufactured and sold at honest prices that are regulated by normal but active competi-

tion, is really against public policy. It is surely for the best interests of the State as well as of the individual citizen that workers should have at all times steady remunerative employment. But this is not possible when foreign goods are suddenly dumped into the market place where the products of the American workers must find sale at prices which make competition hopeless.

It seems to me that it is quite as desirable to avoid the great losses to producers and manufacturers, caused by the disturbing of values consequent upon the dumping of extraordinary and unusual quantities of foreign goods upon the American market, as it is to prevent an extraordinary and unusual boosting of prices consequent upon a cornering of said market. No permanent good comes from a ruinous competition that results in the elimination of all the competitors except one or a few. Somewhere, somehow, and sometime the community must make up those losses.

The merits of my amendment can not be set forth in better language than that chosen by one of the majority members of the Ways and Means Committee when the antidumping clause was under discussion on the floor of the House of Representatives. I quote from the speech of Mr. PETERS, which will be found in the CONGRESSIONAL RECORD of May 7, 1913, page 1365:

Another feature of this new provision is that there will be increased stability in prices. The dumping duty will discourage foreign countries from unloading a large temporary surplus on our markets, which tends for a period to disturb prices and to unsettle business. This provision, obviously, will be a great benefit to the American producer.

An indirect benefit, and a very important one, which arises from increased uniformity in prices and the absence of unnatural fluctuation in market values is that the revenue of the Government will be more dependable and more accurately estimated. This tariff bill has been drawn on a revenue basis. We wish to make sure that there will be sufficient funds available to run the Government. On the other hand, we do not wish an unwarranted surplus, which means excessive taxation. In order to determine with any exactness the amount of revenue to be expected from the different tariff schedules, we must have a definite basis for our calculations. The market values of articles in the country from whence exported are easy to ascertain, and will afford the assistance which is so essential to a satisfactory administration of our customs laws.

Mr. President, while such a provision as this is new in our tariff legislation, it has been thoroughly tried in the neighboring country of Canada under conditions of importation which closely approximate those of our own country. Since 1904 there has been in effect in Canada an antidumping clause, which was first enacted to save the wire-rod industry from extinction, threatened by extensive dumping of wire rods into Canada. This was found to be so satisfactory in operation that it was made a part of the Canadian customs act of 1907, and it was extended so as to apply to articles on the free list. I have information from gentlemen who have personally investigated the workings of the Canadian act that it has worked very satisfactorily there, and that it has accomplished the purpose for which it was devised, and that it has not resulted in imposing any oppressive duties.

On the point of free goods, it would seem that logically there is, if possible, more reason for extending the provisions of this amendment to free goods than there is to dutiable goods, for American manufacturers of dutiable goods have at least the benefit of whatever tariff is on them. The American manufacturers of goods which are on the free list ought to be protected, at least, against having unfair advantage taken of them by foreigners.

The extensive additions which have been made to the free list by the pending bill make the question raised by this amendment one of surpassing importance, and its passage or its failure may mean either life or death, perhaps, to a whole industry, but in any event to a large number of producers. Senators of the majority, while admitting the absolute certainty of the destruction of the Louisiana cane-sugar industry, have insisted that even with free sugar our beet-sugar industry will continue to thrive. Recalling to the minds of the Senators the well-known fact that many countries of the world pay bounties upon the exportation of sugar, I should like to ask how it can be expected that with this tremendous addition to the handicaps which will beset the beet-sugar industry it can still be expected to prosper or even exist. It should be remembered that the countervailing-duty provision (par. E, sec. 5) does not extend to goods that are on the free list. There can be no possible doubt of the propriety of making this amendment apply to all goods, whether dutiable or free.

As to the fear voiced by the Finance Committee majority that this amendment "was capable, under an unfriendly administration, of being used as a means of increasing the duty upon dutiable articles 15 per cent and of putting articles upon the free list under a duty of 15 per cent," I think I can assure them that, in view of the things that have been said by the spokesmen of the administration regarding American manu-

facturers, there is not the slightest danger that any hardships will be visited upon importers nor any favors extended to American manufacturers. Nor need we concern ourselves about succeeding administrations, which, of course, will have their fiscal and economic policies regardless of what we do now.

The remaining objection of the Finance Committee is that our law already includes a provision which is in the nature of an antidumping clause, this reference being to the administrative provision which imposes additional duties for undervaluation. The difficulty with this provision is its limited scope. It applies only to goods paying ad valorem duties and consequently it does not affect in the least goods which pay specific duties or which are free of duty. It is true that in the pending bill ad valorem duties have been largely substituted for specific duties, but there still remain a large number of the latter class particularly in the chemical schedule. The chemical industry is peculiarly exposed to the danger from dumping. The huge German houses already referred to are in the habit of disposing of their surplus products in foreign countries at prices much lower than they sell them to consumers in their own country, and this policy is favored by the German governmental authorities, as well as by public opinion there. With the shrewdness and thoroughness characteristic of the German mind they figure that they can afford to submit to the imposition of paying fair prices at home for chemicals and selling them cheaper abroad because of the consequent expansion of the foreign trade. This expansion of foreign trade of course gives employment to German capital and German labor, and the consequent benefits to the country are considered to counterbalance the sacrifices imposed upon German consumers by making them pay more than people in foreign countries pay.

I venture to hope, Mr. President, that this amendment will prevail, for it should meet with the approval of all. It is difficult to see how the majority can reject it, for it received the overwhelming approval of their party associates in the House, and inasmuch as it is in fact a statutory provision for the purpose of raising revenue it does seem as though the action of the House on it should not be entirely discarded and thrown aside by the Senate. The majority has made what may be properly described as a wholesale and radical reduction in rates of duty and it ought to be satisfied with that for the present and be willing to provide a safeguard so as to prevent the total destruction of American industries, which give employment to thousands of workmen.

Mr. President, I have here two letters, one of them from a gentleman representing the Manufacturing Chemists' Association of the United States, who has personally visited Canada and examined very carefully into the workings of the Canadian law; and also another letter, which explains itself. I ask to have both letters printed as a part of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered. The letters referred to are as follows:

MANUFACTURING CHEMISTS' ASSOCIATION
OF THE UNITED STATES,
OFFICE OF THE EXECUTIVE COMMITTEE,
33 Broad Street, Boston, August 1, 1913.

HON. BOIES PENROSE,
Washington, D. C.

DEAR SIR: Confirming our interview of Wednesday last, I am writing to you regarding the so-called Canadian dumping clause.

As I explained to you, in May of this year I went to Canada as the representative of the Manufacturing Chemists' Association in order to study the workings of this clause. I had a meeting with Mr. R. R. Farrow, assistant commissioner of customs at Ottawa. Mr. Farrow has been with the department for over 30 years, and is a recognized authority on customs laws and regulations in Canada. Mr. Farrow was very enthusiastic about the success of the Canadian act. He did, however, raise several points for consideration, as follows:

(1) It is of first importance that there should be ample provision requiring the declaration of the fair market value in the invoice. Such a provision is absolutely necessary for the enforcement of the act, and the Canadian practice of requiring the statement of the fair market value and the selling price in parallel columns is strongly recommended.

The following form of invoice was approved by Canadian customs in August, 1910, for goods sold by the exporter prior to shipment, and has proved effective:

Invoice of _____ Purchased _____, by _____		(Place and date) _____	
of _____, from _____, of _____		to be shipped from _____, per _____	
Marks and numbers on packages.	Quantities and description of goods.	Fair market value as sold for home consumption at time shipped.	Selling price to the purchaser in Canada.
		At—	Amount.

(Signature of seller or agent.) _____

The Canadian customs further require the following certificate which has also proved effective:

"I, the undersigned, do hereby certify as follows:
"(1) That I am the (1) _____ exporter of the goods in the within invoice mentioned or described:

"(2) That the said invoice is in all respects correct and true.

"(3) That the said invoice also exhibits the fair market value of the said goods at the time and place of their direct exportation to Canada and as when sold at the same time and place in like quantity and condition for home consumption in the principal markets of the country whence exported directly to Canada, without any discount or deduction for cash, or on account of any drawback or bounty, or on account of any royalty actually payable thereon or payable thereon when sold for home consumption, but not payable when exported, or on account of the exportation thereof, or for any special consideration whatever:

"(4) That the said invoice contains a full and true statement showing the price actually paid or to be paid for the said goods, the actual quantity thereof, and all charges thereon.

"(5) That no different invoice of the goods mentioned in said invoice has been or will be furnished to anyone; and

"(6) That no arrangement or understanding affecting the purchase price of the said goods has been or will be made or entered into between the said exporter and purchaser or by anyone on behalf of either of them, either by way of discount, rebate, salary, compensation, or any manner whatsoever other than as shown in the said invoice.

(Signature) _____

"Dated at _____ this _____ day of _____, 19—."

In the case of goods shipped on consignment the Canadian customs require that the invoice state the fair market value and also require a declaration under oath.

(2) Canadian experience has shown that the dumping clause should apply to all goods of a class or kind made in Canada, even though such articles are on the free list and not otherwise dutiable.

It was found that many articles not subject to duty were being dumped into Canada in unfair competition with domestic production. Hence the following regulation by order in council and by department of customs:

"Goods of a class or kind made in Canada are subject to special duty when sold for exportation to Canada at a less price than for home consumption in the country of export, whether such goods be otherwise free of duty or subject to specific or ad valorem duty."

(3) There has been difficulty in enforcing the Canadian dumping duty in connection with goods shipped on consignment. The original act only provided for a dumping duty in cases where the "export or actual selling price" was less than the "fair market value."

It was found that goods would be purchased abroad and then consigned by the purchaser to himself in Canada; for example, citizens of Canada would cross the border into the United States and purchase automobiles selling in the United States for \$2,000 and be allowed an agent's discount of 20 per cent, or \$400. The American manufacturer could make such discount without interfering with American selling agents, as the automobiles were for use in Canada. The automobiles would be subject to the regular duty "on importation," but being shipped on consignment they would escape in this case the 15 per cent duty, or \$300.

The following provision of the Canadian act is hardly adequate:

"If at any time it appears to the satisfaction of the governor in council, on a report from the minister of customs, that the payment of the special duty by this section provided for is being evaded by the shipment of goods on consignment without sale prior to such shipment, the governor in council may in any case or class of cases authorize such action as is deemed necessary to collect on such goods or any of them the same special duty as if the goods had been sold to an importer in Canada prior to their shipment to Canada."

(4) It has been the experience in Canada that goods have been sold in the country of export and then shipped on consignment in order to avoid the dumping duty; that is, goods that have been sold abroad have been shipped on consignment merely for distribution in Canada. To avoid this the following provision was adopted:

"In the case of goods shipped to Canada on consignment, but sold by the exporter to persons in Canada prior to their importation into Canada, the amount of the valuation for duty shall not be less than the invoice value to the Canadian purchaser exclusive of all charges upon the goods, after shipment from the place whence exported directly into Canada."

This provision has worked very well. It has been the cause of bringing many selling agencies, warehouses, etc., into Canada.

(5) In fairness to the importer who purchases goods for future delivery, provision should be inserted to the effect that in case of advance in the fair market value between the date of purchase and export, the dumping duty shall not apply unless the export price was less than the fair market value at date of purchase.

The Canadian regulations have this provision:

"The amount of any advance in the market value of goods between the time of their purchase by the importer and the date of their exportation to Canada shall not be subject to special duty after 9th November, 1904, provided the goods have been exported in the usual course and the actual date of purchase established to the satisfaction of the collector by contracts or other sufficient documents produced for his inspection and attested to.

"Provided, however, in respect of goods subject to an ad valorem duty, that the ordinary duty shall be collected (as heretofore) on the fair market value of the goods as to the time of their direct exportation to Canada—under the provisions of section 58 of the customs act."

There were several other points discussed, all relating to technicalities in connection with the administration of the act. I think, however, the above suggestions are all that could possibly interest you from your point of view. The little pamphlet on foreign tariff systems which you showed me has such a complete statement regarding the dumping clause, I doubt if anything I can write you will be of further service. If, however, I can be of assistance, please do not hesitate to call on me freely.

Sincerely, yours,

A. H. WEED.

NEW YORK, August 7, 1913.

HON. BOIES PENROSE,
United States Senate, Washington, D. C.

DEAR SIR: We beg to hand you herewith a copy of latest issue of our "Weekly Statistical Sugar-Trade Journal," which you might find interesting, also extracts from previous issues covering tariff.

(1) Insert the word partner, manager, chief clerk, or principal official, giving rank, as the case may be.

We note report in the press that you have introduced an amendment to the tariff bill providing for a "dumping duty" and would request you to kindly send us a copy of same.

The "dumping duty" clause in the bill as passed the House was not applicable to goods admitted free of duty; this provision is a wise one and in the interest of "fair" trade generally, without regard to the policy of high or low duty or free trade, as it prohibits unfair advantage of American business men being taken by foreigners and, if it is desirable in the case of dutiable goods, it is all the more necessary in the case of free goods—not only sugar, but all articles imported.

As a precedent in this regard we have the Canadian tariff which provides for a "dumping duty" not only on dutiable goods but on free goods, as specially provided; we inclose a copy of this clause in the Canadian tariff for your information in case of need.

The clause in the new tariff bill (sec. V, par. E) providing for a countervailing duty against export bounties is not applicable to free goods but should be made so as such countervailing duty will be needed more on imports of free goods than on dutiable goods; the principal should be applied equally to both classes of imports.

If sugar is made free of duty it will be specially necessary to apply a "dumping duty" against "unfair" practices of foreign cartels, exchanges, business organizations, governments, or individuals, and also to apply "countervailing duty" against foreign export bounties.

Russia produces enormous crops of sugar and pays an export bounty thereon of about 71 cents per 100 pounds, and other countries have in the past paid large export bounties to encourage home production, and the workings of cartels have enabled foreign exporters to ship sugars to the United States at very much below normal prices.

We beg to call attention to the wording of the reciprocity treaty with Cuba, which apparently prohibits any reduction in present rates of duty on sugar, although it is evident that such was not intended, and the question may not be raised officially, but as Congress is now passing a new tariff bill it would seem wise to make it plain that the intention is for Cuban sugar to be admitted at a concession of 20 per cent on the rates of duty provided in the bill and not leave the question in the least doubt.

Referring to the proposed date of effect of sugar schedule (Mar. 1, 1914), we beg to advise that date of effect should come at a time when the stocks in dealers' hands are the smallest, which will be during the three months from October 1 to January 1.

The Cuba crop is in full swing during January and February, receipts being very heavy, amounting to more than 400,000 tons in those months and, the necessities of the planters for funds are such that they will sell at best price obtainable; if therefore, the reduced duty is to become effective March 1, 1914, the reduction in duty will doubtless be discounted in the price of sugar sold in January and February because of the pressure to sell Cuban sugar and, the domestic sugar of Louisiana and western beet will be no better off than if the new tariff is put in force January 1, while trade generally will be much disturbed.

Louisiana cane and western beet crops begin in October and the bulk of those crops will come in before January 1, which date for change of duty would now seem to suit the majority of the sugar interests.

Yours, very truly,

WILLETT & GRAY.

Mr. PENROSE. I ask for the yeas and nays on the amendment.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Pennsylvania, on which he demands the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. BRYAN (when his name was called). I again announce my pair and withhold my vote. If at liberty to vote, I should vote "nay."

Mr. CHAMBERLAIN (when his name was called). I again announce my pair with the junior Senator from Pennsylvania [Mr. OLIVER], and withhold my vote. If I were permitted to vote, I should vote "nay."

Mr. CHILTON (when his name was called). I again announce my pair, as on the previous vote.

Mr. MYERS (when his name was called). I announce my pair with the Senator from Connecticut [Mr. McLEAN] and the transfer of that pair to the Senator from Arizona [Mr. ASHURST] and vote "nay."

Mr. O'GORMAN (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. GALLINGER]. In his absence, I withhold my vote.

The roll call was concluded.

Mr. JAMES. I transfer my pair with the Senator from Massachusetts [Mr. WEEKS] to the Senator from South Carolina [Mr. SMITH] and will vote. I vote "nay."

Mr. BRYAN. I transfer my pair with the junior Senator from Michigan [Mr. TOWNSEND] to the Senator from Nebraska [Mr. HITCHCOCK] and vote "nay."

Mr. THOMAS. I make the same transfer of my pair as heretofore and vote "nay."

Mr. BACON. I inquire whether the Senator from Minnesota [Mr. NELSON] has voted?

The VICE PRESIDENT. The Chair is informed that he has not voted.

Mr. BACON. Then I withhold my vote, as I have a general pair with that Senator. If he were present, I should vote "nay."

Mr. OVERMAN. I have a general pair with the senior Senator from California [Mr. PERKINS], who is absent on account of sickness. If at liberty to vote, I should vote "nay." I withhold my vote on account of the pair.

Mr. KERN. On account of my pair with the Senator from Kentucky [Mr. BRADLEY], I withhold my vote.

Mr. LEA. I announce my pair with the senior Senator from South Dakota [Mr. CRAWFORD]. If at liberty to vote, I should vote "nay."

Mr. CHILTON. I wish to announce the necessary absence of the Senator from Virginia [Mr. MARTIN] and his pair with the Senator from Vermont [Mr. PAGE].

Mr. REED. I have a pair with the Senator from Michigan [Mr. SMITH]. I am unable to arrange a transfer. I desire to inquire if a quorum has voted?

The VICE PRESIDENT. The Chair is informed that a quorum has not yet voted.

Mr. REED. My arrangement with the Senator from Michigan in regard to the pair is that I am at liberty to vote if necessary to make a quorum. I therefore vote "nay."

Mr. KERN. My pair with the Senator from Kentucky [Mr. BRADLEY] is so arranged that in case my vote is necessary for a quorum I shall have the right to vote. I therefore vote "nay."

Mr. CHILTON. I understand my arrangement with my pair has the same condition, enabling me to vote to make a quorum. I vote "nay."

Mr. OVERMAN. I am authorized by the Senator from California [Mr. PERKINS] to vote to make a quorum. I therefore vote "nay."

Mr. BRANDEGEE. The Senator from New Mexico [Mr. CATRON] is paired with the junior Senator from Arizona [Mr. SMITH].

The result was announced—yeas 15, nays 34, as follows:

YEAS—15.			
Brady	Cummins	Lodge	Sherman
Brandegee	Jones	Norris	Sterling
Bristow	Kenyon	Penrose	Warren
Colt	Lippitt	Root	
NAYS—34.			
Bryan	Martine, N. J.	Saulsbury	Swanson
Chilton	Myers	Shafroth	Thomas
Fletcher	Overman	Sheppard	Thompson
Hollis	Owen	Shields	Thornton
Hughes	Pittman	Shively	Vardaman
James	Pomerene	Simmons	Walsh
Johnson	Ransdell	Smith, Ga.	Williams
Kern	Reed	Smith, Md.	
Lane	Robinson	Stone	
NOT VOTING—46.			
Ashurst	Crawford	Lea	Smith, Ariz.
Bacon	Culberson	Lewis	Smith, Mich.
Bankhead	Dillingham	McCumber	Smith, S. C.
Borah	du Pont	McLean	Smoot
Bradley	Fall	Martin, Va.	Stephenson
Burleigh	Gallinger	Nelson	Sutherland
Burton	Goff	Newlands	Tillman
Catron	Gore	O'Gorman	Townsend
Chamberlain	Gronna	Oliver	Weeks
Clapp	Hitchcock	Page	Works
Clark, Wyo.	Jackson	Perkins	
Clarke, Ark.	La Follette	Poindexter	

So Mr. PENROSE's amendment was rejected.

Mr. BRANDEGEE. Mr. President, I have a few amendments that I have agreed in some cases to offer to the bill. I wish to do it at some time when it will be least inconvenient to Senators. I have some letters which I will submit in connection with them. If I may offer them now, if this is as good a time as any, I will offer them, and not ask for roll calls.

Mr. HUGHES. Mr. President, are they to the schedules, or are they to the administrative sections?

Mr. BRANDEGEE. No; they are to the sections.

Mr. SIMMONS. Mr. President—

Mr. BRANDEGEE. I yield to the Senator from North Carolina.

Mr. SIMMONS. We had an understanding, and really there was a unanimous-consent order, that we should go on and take up the sections or paragraphs that have been passed over at the request of Senators, and finish them, and then take up any amendments that might be offered to any schedule. I think the last vote was somewhat in violation of that; but the Senator from Pennsylvania obtained recognition, and nobody objected, and so we acted upon the amendment.

Mr. PENROSE. The Senator from Iowa rose—

Mr. SIMMONS. So I hope the Senator from Connecticut will let us go on, under the rule we have adopted, with the income-tax section, and as soon as we have finished that and the administrative sections, the Senator can offer his amendments.

Mr. BRANDEGEE. I said when I rose that I wanted to do it at the most convenient time. I did not know there was any such understanding as the Senator has spoken of, and I will wait until another time.

Mr. WILLIAMS. Mr. President, on behalf of the committee, I offer an amendment, which I send to the desk.

The PRESIDING OFFICER (Mr. LEA in the chair). The amendment will be stated.

The SECRETARY. On page 165, line 12, after the word "elsewhere," it is proposed to insert a colon and the following:

Provided, That the tax herein imposed upon individuals with respect to their incomes shall likewise be levied upon all interests as such which may be due or payable to any nonresident alien, subject to the exemptions and deductions provided for in this section, which shall be made at the source in his behalf.

The amendment was agreed to.

Mr. WILLIAMS. I now offer another amendment, on behalf of the committee, which I will send to the desk.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. On page 166, line 1, after the word "exceed," it is proposed to strike out "\$100,000" and insert "\$75,000"; after the comma, in the same line, it is proposed to strike out the word "and"; in line 3, after the word "exceeds," it is proposed to insert "\$75,000 and does not exceed"; in line 3, after "\$100,000," it is proposed to insert "4 per cent per annum upon the amount by which the total net income exceeds \$100,000 and does not exceed \$250,000; 5 per cent per annum upon the amount by which the total net income exceeds \$250,000 and does not exceed \$500,000; and 6 per cent per annum upon the amount by which the total net income exceeds \$500,000."

Mr. BRISTOW. Mr. President, as I understand, that increases the tax on incomes from \$75,000 to \$100,000 per annum 1 per cent; on incomes from \$100,000 per annum to \$250,000 per annum 2 per cent—

Mr. WILLIAMS. No; 1 per cent.

Mr. BRISTOW. One per cent?

Mr. WILLIAMS. The increase of 1 per cent is kept up right to the end.

Mr. BRISTOW. Then from \$250,000 to \$500,000 there is an increase of 2 per cent, is there not?

Mr. WILLIAMS. No; there is an increase of 1 per cent each time—a jump of 1 per cent at each step.

Mr. BRISTOW. Yes; but I mean the increase over the existing bill.

Mr. WILLIAMS. I will explain it to the Senator.

First there is the normal tax up to 20 per cent. Then there is 1 per cent additional tax between \$20,000 and \$50,000, 2 per cent additional tax between \$50,000 and \$75,000—

Mr. BRISTOW. If the Senator will permit me just there, the tax up to \$75,000 is just the same as now exists in the bill?

Mr. WILLIAMS. Precisely. Then from there on it is increased 1 per cent until it gets to the last stage, which is \$500,000 or over. That is the maximum, and it carries an additional tax of 6 per cent, making a total, normal and additional, of 7 per cent.

Mr. BRISTOW. I desire to say that when the bill gets into the Senate I expect to offer the amendment which I offered the other day. I think this improves the bill somewhat, but not so much as I should like to see it improved. It is somewhat better, however. My objection is that the increases should have started lower down, because I do not think there will be many incomes reported exceeding \$500,000 per annum.

Mr. WILLIAMS. The Senator and I of course differ diametrically. I think the increases start too low down, and I think by the time we get to the maximum we have levied a sufficient maximum. When we get to the Senate of course the Senator will offer his amendment, and he can then discuss it.

The PRESIDING OFFICER. The question is on the amendment offered by the committee.

The amendment was agreed to.

Mr. WILLIAMS. I now offer another amendment on behalf of the committee; and I ask that in connection with that amendment, and as part of my remarks, a letter which I send to the desk may go into the Record and be printed.

The PRESIDING OFFICER. Without objection, it will be so ordered.

The letter referred to is as follows:

SOUTHERN RAILWAY CO.,
Washington, D. C., August 15, 1913.

In connection with the conference you were kind enough to have with me this morning in respect to lines 14 to 24 on page 166 of the tariff bill, H. R. 3321, I take the liberty of now handing you a succinct statement of certain considerations, which it seems to me present objections to the language as it now stands, to which I invite your careful attention.

It seems to me that the language of the bill as it now stands is not materially different in effect from the language as it was in the original draft of the bill in the Senate. The change now made substitutes for these words, "who would be entitled to the same," the words "who would be legally entitled to enforce the distribution or division of the same." Inasmuch as both expressions are qualified by the words "if divided or distributed, whether divided or distributed or otherwise," my legal judgment is that they mean exactly the same thing, as nobody would be entitled to enforce distribution or division of dividends which are not declared. The effect of the provision as it now stands in the bill would unquestionably be, as it seems to me, to tax the stockholder of the bank (who would be liable to an additional tax) on the undivided surplus of the bank, and to tax a stockholder in a railroad company on

his undivided share of the undivided earnings of the railroad; and yet it is manifestly in the public interest that both the bank and the railroad and, in fact, many other useful corporations should accumulate a proper surplus from their earnings in order to build up their credit and perform the service for which they were incorporated.

The suggestion which I have made would prevent a fraud upon the law through an undue accumulation of profit, and that is as far, I think, as it is the policy of your committee to go.

I noted this morning that you inserted after the word "not," in the ninth line from the bottom of my suggested draft, the words "of itself." I wish you would consider whether there is not serious objection to the insertion of these words. The object of requiring the certificate of the Secretary of the Treasury is to prevent unnecessary annoyance to business concerns, unreasonable demands, whether in court or otherwise, for this tax, and to prevent any suit lying on the subject at all, unless the Secretary of the Treasury shall certify that, in his opinion, such accumulation of gains and profits is unreasonable for the purposes of the business. If you now insert the words "of itself," that principal object of this provision is done away with, and suits might be brought, and the business corporation greatly inconvenienced and annoyed, even though the Secretary of the Treasury was of opinion that the accumulation of profits was proper for the legitimate purposes of the company. I think legitimate business is entitled to the protection of not having such demands made or suits brought against it, unless the Secretary of the Treasury shall be of opinion that such demands are legally justified. I would be glad to have you consider this view of the matter.

I have ventured to put this in written form so you may, in the multitude of matters pressing for your consideration, have it conveniently at hand for the consideration of your subcommittee.

Yours, very truly,

ALFRED P. THOM.

The provision that as to the additional taxes imposed upon individuals, their share of the undivided gains and profits of corporations in which they are stockholders shall be treated as a part of their income, was apparently adopted to prevent the possibility of a rich man forming a corporation to manage his property and to accumulate the profits therefrom without declaring dividends. Through such a device a rich man might escape paying the additional tax, since his corporation would pay only the 1 per cent.

Such cases would be exceedingly rare and could be adequately met by a special provision that in cases of that sort where the Secretary shall find that the corporation was organized or is being conducted for the purpose of evading the payment of the additional taxes by its stockholder or stockholders such stockholder or stockholders shall be charged, for the purposes of the additional taxes, with his or their share of the undistributed profits.

But the provision as it now stands is so broad as to prove exceedingly troublesome to legitimate corporations in the regular and proper conduct of their business.

To illustrate: For the fiscal year ending yesterday—June 30, 1913—the Atchafalaya will probably show that after paying operating expenses, taxes, and interest, and dividends on preferred stock, its remaining income is something over 8 per cent on the common stock. The dividend on the common stock for the year was 6 per cent. Theoretically, therefore, there was an undistributed gain or profit of a little over 2 per cent. Practically, however, that gain or profit will never be available and much of it will have to be spent for purposes which will never increase the earnings of the company, or at least not proportionately with the expenditures: such, for example, as removal of grade crossings, construction of steel underframe cars, steel cars, building of handsome passenger stations, etc. It would be very unfair to the company to make it go on record as stating that all of this surplus 2 per cent was a clear gain or profit, whereas little, if any, and perhaps none at all, would represent gain or profit in any sense.

Any effort to draw the line between the part of the surplus earnings devoted to these necessary purposes and the part, if any, which could fairly be regarded as a clear gain would be almost hopeless and would entail an immense accounting burden upon the corporations and upon the Treasury Department.

Moreover, as to railroad companies, it would seem necessary for the Interstate Commerce Commission to prescribe the rules by which such separation would be made, and then the commission would have to be bound by the rules which it prescribed.

Furthermore, if the Government adopts the principle of recognizing that as to all corporations all undivided profits belong to the stockholders, I do not see how the Government can thereafter dispute the right to issue to the stockholders stock representing the profits upon which the stockholders have already been taxed.

Furthermore, a corporation in one year may earn (at least theoretically) 9 per cent and pay a 6 per cent dividend; and the next year may earn 5 per cent and pay a 6 per cent dividend, the 1 per cent being out of the extra profit made the previous year. Under this provision as it stands the stockholder in the first year will pay his additional tax with respect to the 3 per cent of undivided profits, and the next year he will, as to one-third of this amount, pay the tax again because of his receipt of that amount as a part of his dividend.

In many cases corporations do not pay any dividends at all, and earn a very small surplus over their fixed charges. But this provision will necessitate the Treasury Department obtaining reports from all these corporations as to their dividends and also reports as to their entire list of stockholders. Besides this, of course, the Treasury Department will have to obtain lists of stockholders in all corporations which do pay dividends. Altogether there are over 300,000 corporations in the United States.

It seems to me this provision unduly burdens the corporations and unduly burdens the Treasury Department, and yet accomplishes no purpose in addition to what would be accomplished by a provision much more special and restricted in character.

Beyond all this is the very serious constitutional question. I believe the cases have settled it very clearly that the profits of a corporation do not belong to the stockholders until declared as dividends. Therefore the undivided profits of a corporation can not be regarded as income of the stockholders (except in cases where the corporation is a mere fraud on the law for the purpose of evading the tax). The constitutional amendment authorizes nothing but a tax on incomes. An effort to tax, to the individual, the undistributed profits of a legitimate corporation (as distinguished from a mere corporate device to defraud the law) is not a tax on income of the individual, and therefore seems to be a plain violation of the constitutional provision.

Another serious difficulty is that stock is constantly bought and sold. It is not feasible to apportion undivided profits among various owners during the year. The entire undivided profits should not be charged to the man owning the stock on the dividend date. The dividend is

announced and is taken into account in purchasing the stock, but the undivided profit can not be ascertained in advance, so a temporary owner might be charged with large undivided profits which he never counted on and, of course, never received.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. At a previous session the Senator from Mississippi reported back a paragraph passed over, beginning on line 14, page 166, with the words "For the purpose of," and extending to the bottom of the page. In lieu of that paragraph the Senator from Mississippi now proposes to insert the following:

For the purpose of this additional tax the taxable income of any individual shall embrace the share to which he would be entitled of the gains and profits, if divided or distributed, whether divided or distributed or not, of all companies, whether incorporated or partnership, formed or fraudulently availed of for the purpose of preventing the imposition of such tax through the medium of permitting such gains and profits to accumulate instead of being divided or distributed; and the fact that any such company or partnership, or that the gains and profits are permitted to accumulate beyond the reasonable needs of the business, shall be prima facie evidence of a fraudulent purpose to escape such tax; but the fact that the gains and profits are in any case permitted to accumulate and become surplus shall not be construed as evidence of a purpose to escape the said tax in such case unless the Secretary of the Treasury shall certify that in his opinion such accumulation is unreasonable for the purposes of the business. When requested by the Commissioner of Internal Revenue, or any district collector of internal revenue, such company shall forward to him a correct statement of such profits and the names of the individuals who would be entitled to the same if distributed.

Mr. WARREN. Mr. President, may I ask the Senator a question? That alludes to profits in a corporation that are not divided?

Mr. WILLIAMS. Yes.

Mr. WARREN. What would be the construction where a business is of such a nature that the risks are such that they are in the habit of going along for two or three—

Mr. WILLIAMS. This does not apply to all profits that are not divided at all. It applies only to such profits and the heaping up of such surplus as shall justify the Secretary of the Treasury in concluding that it is done for the purpose of evading the tax. Its main purpose is to prevent the formation of holding companies.

Here is a man, for example, with an income as large as Mr. Carnegie's income, let us say. There would be nothing to prevent him from organizing a holding company and passing his income from year to year up to undivided profits. I think if the Senator will watch the reading of the amendment he will understand its object. I ask that it may be read again.

Mr. WARREN. I undertook to keep up with it, but I want a plain declaration about the intention of the proponent of the amendment, because it could be construed so as to prevent the necessary accumulation to cover risks.

Mr. WILLIAMS. If the Senator had read it, or had noticed the reading, he would have seen that it could not have been so construed.

Mr. WARREN. I understand, then, that the intention is to prevent fraud; but it is not the intention to take away from or divide or assess a stockholder for the necessary funds that are kept in surplus in order to protect and insure the business?

Mr. WILLIAMS. No. Here is the provision:

Unless the Secretary of the Treasury shall certify that in his opinion such accumulation is unreasonable for the purposes of the business.

It is only in that event that it applies.

Mr. BRANDEGEE. Of course that leaves it absolutely to the Secretary of the Treasury to decide whether a surplus is an evidence of fraud or not, and turning the matter over to the discretion of the Secretary of the Treasury as to exactly how much surplus—

Mr. WILLIAMS. It is only prima facie.

Mr. BRANDEGEE. If the Senator will allow me to finish my sentence—

The PRESIDING OFFICER. The Senator from Connecticut has the floor.

Mr. BRANDEGEE. It gives the Secretary of the Treasury absolute power to say exactly what surplus shall be in his opinion proper for the conduct of any business, and if the views of the managers of the business do not coincide with his views they are guilty of a fraud.

Mr. WILLIAMS. Somebody has to sit in judgment as to whether there is a fraud or not.

Mr. BRANDEGEE. I should think that it is a very dangerous amendment.

Mr. PENROSE. You might associate the Secretary of Agriculture with him.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Mississippi.

The amendment was agreed to.

Mr. SHIVELY. On page 185, line 11, after the word "system" I move to insert:

or for the exclusive benefit of the members of a fraternity itself operating under the lodge system.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Indiana.

The amendment was agreed to.

The SECRETARY. On page 187 the proviso was recommitted to the committee beginning with the words "That mutual life insurance companies"—

Mr. O'GORMAN. In what line?

The SECRETARY. The proviso on page 187, beginning in line 6 and extending down to line 13.

Mr. WILLIAMS. Strike out the language.

The PRESIDING OFFICER. The Secretary will read the amendment.

The SECRETARY. The amendment as printed in the bill reads as follows:

Provided, That mutual life insurance companies shall not be required to return as a part of their income any portion of premium deposits actually returned to their policyholders within the year for which the income tax return is made, nor any portion actually credited to the policyholders by being applied as a deduction from the amount of the premium otherwise due to the company within the year for which the income tax is returned.

Mr. WILLIAMS. I want to have the committee amendment disagreed to.

The amendment was rejected.

The SECRETARY. In line 13, after the word "*Provided*," the Senator from Mississippi proposes to strike out the word "*further*."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. SIMMONS. On page 186, at the end of line 9, on behalf of the committee I offer the following amendment.

The SECRETARY. On page 186, line 9, after the words "Porto Rico" and before the period, insert:

Provided, That whenever any State, Territory, or the District of Columbia, or a political subdivision of a State or Territory, shall have entered in good faith into a contract with any person or corporation, the object and purpose of which is to acquire, construct, operate, or maintain a public utility, no tax shall be levied under the provisions of this act upon the income derived from the operation of such public utility so far as the payment thereof will impose a loss or burden upon such State, Territory, or the District of Columbia, or a political subdivision of a State or Territory; but this provision is not intended to confer upon such person or corporation any financial gain or exemption or to relieve such person or corporation from the payment of a tax as provided for in this section upon the part or portion of the said income to which such person or corporation shall be entitled under such contract.

The amendment was agreed to.

The SECRETARY. On page 187 the proviso beginning at line 21 was recommitted on the 29th of August. It reads:

Provided further, That mutual marine insurance companies—

Mr. WILLIAMS. The committee ask the Senate to disagree to the committee amendment.

The amendment was rejected.

Mr. WILLIAMS. Let the amendment sent up be stated.

The SECRETARY. On page 188, line 3, before the word "interest," insert the words "the amount of"; in line 4, after the word "its," insert the words "bonded or other"; in line 5, after the word "indebtedness," strike out "to an amount of such indebtedness"; and in line 8, before the word "capital," insert the words "amount of interest paid within the year on an amount of its indebtedness not exceeding the amount of."

The amendment was agreed to.

The SECRETARY. In the proviso on page 190 insert, in line 1—

Mr. WILLIAMS. Wait a minute. The Secretary is going very fast.

Mr. SHIVELY. What is the amendment just read from the desk?

The SECRETARY. On page 188, line 3, before the word "interest"—

Mr. SHIVELY. That has been adopted.

The PRESIDING OFFICER. It has been adopted.

Mr. SHIVELY. What is the next amendment?

The SECRETARY. The proviso at the top of page 190 was recommitted to the committee.

Mr. WILLIAMS. I send this amendment to the desk.

The PRESIDING OFFICER. The Secretary will read the amendment.

The SECRETARY. On page 190, line 1, beginning with the word "*Provided*," strike out all the language down to and including the word "returned," on line 8.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee inserting those words.

The amendment was rejected.

The SECRETARY. On page 190, the provision beginning in line 16, after the word "reserves," down to and including the word "thereof," in line 3, was recommitted to the committee.

The PRESIDING OFFICER. Has the committee a report?

Mr. WILLIAMS. I thought I just sent up that amendment.

Mr. SHIVELY. It ought to be disagreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was rejected.

The PRESIDING OFFICER. The two committee amendments have been disagreed to upon that page.

Mr. WILLIAMS. The first one has and the second one has not. I move to disagree to the Senate committee amendment beginning on line 1 and running down to and including the word "returns" in line 8.

The PRESIDING OFFICER. That amendment has been disagreed to.

Mr. WILLIAMS. Now I ask the Senate to agree to the committee amendment beginning in line 16, page 190, with the word "Provided," and running down to the word "thereof" in line 23.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

Mr. SMOOT. Can the Senator tell me why that is to be agreed to and the same provision on page 187, in virtually the same words, was disagreed to?

Mr. WILLIAMS. It ought not to have been disagreed to. The Secretary was reading so rapidly that my colleague and I were dividing out the words, and we did not keep up with him. I am informed by the Senator from Utah that the Senate committee amendment beginning in line 21, on page 187, and including the word "thereof" in line 3, on page 188, was disagreed to. I move to reconsider the vote and ask that the amendment be agreed to.

The PRESIDING OFFICER. Without objection, the vote will be reconsidered, and, without objection, the amendment is agreed to.

The SECRETARY. On page 187, line 21, after the word "reserves," insert the proviso running down to and including the word "thereof," in line 3, page 188, just agreed to.

On page 190, the proviso in line 16, after the word "reserves," down to and including the word "thereof," in line 23, was recommitted.

Mr. WILLIAMS. That we wish to have agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

Mr. WILLIAMS. The amendment beginning with line 1, on page 190, including the word "returned," in line 8, I believe was disagreed to. Is that correct?

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was rejected.

The PRESIDING OFFICER. The next section will be read by the Secretary.

Mr. SMOOT. I should like to ask the Senator from Mississippi if, on page 190, line 23, after the word "(third)" and before the word "interest," the words "the amount of" should not be included there to conform with the amendment the Senator made on page 188, line 3, before the word "interest."

Mr. WILLIAMS. I do not think it makes any difference, but we might just as well insert it.

The PRESIDING OFFICER. The amendment proposed by the Senator from Utah will be stated.

The SECRETARY. On page 190, line 24, before the word "interest," insert the words "the amount of."

The amendment was agreed to.

The SECRETARY. On page 194 the proviso in line 25, ending with the word "thereof," on line 14, page 195, was recommitted to the committee.

Mr. SHIVELY. I offer an amendment there.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

Mr. SHIVELY. That is striking out the amendment beginning in line 25, page 194, with reference to mutual life insurance companies.

Mr. WILLIAMS. And ending with the word "returned," in line 7, page 195. That is to be disagreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed to that portion of the committee amendment.

The amendment was rejected.

The SECRETARY. The remaining portion of the committee amendment, beginning in line 7, on page 195, reads as follows:

Provided further, That mutual marine insurance companies shall include in their returns of gross income gross premiums collected and received by them less amounts paid for reinsurance, but shall be en-

titled to include in deductions from gross income amounts repaid to policyholders on account of premiums previously paid by them, and interest paid upon such amounts between the ascertainment thereof and the payment thereof.

Mr. WILLIAMS. We ask that that committee amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The SECRETARY. On page 196, the proviso beginning in line 8 and ending with the word "thereof" was recommitted to the committee.

Mr. SHIVELY. I ask that it be disagreed to. I move as an amendment to strike out that part of the committee amendment.

The SECRETARY. On page 196, line 8, beginning with the word "Provided," strike out all the language down to and including the semicolon in line 16, as follows.

Mr. SHIVELY. I ask that it be stricken out.

Mr. GALLINGER. The question is on agreeing to it.

The PRESIDING OFFICER. The Chair is under the impression that the motion can be put in the affirmative.

Mr. LODGE. Certainly.

The SECRETARY. The following language was proposed to be inserted by the committee:

Provided further, That mutual life insurance companies shall not be required to return as a part of their income any portion of premium deposits actually returned to their policyholders within the year for which the income tax return is made, nor any portion actually credited to the policyholders by being applied as a deduction from the amount of premium otherwise due to the company within the year for which the income tax is returned.

Mr. LODGE. Merely on the matter of procedure, if that is an independent amendment, the proper thing to do is to disagree to it. The Chair is quite right in putting the question on agreeing to it, because that is the form. If it is part of the amendment, then we amend it by striking it out.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee striking out the part of the committee amendment which has been read. [Putting the question.] The ayes have it, and the amendment striking out this part is agreed to.

The SECRETARY. On page 196, line 16, after the word "returned," just stricken out, insert the following proviso:

Provided further, That mutual marine insurance companies shall include in their return of gross income gross premiums collected and received by them less amounts paid for reinsurance, but shall be entitled to include in deductions from gross income amounts repaid to policyholders on account of premiums previously paid by them and interest paid upon such amounts between the ascertainment thereof and the payment thereof.

Mr. SHIVELY. I ask that the amendment be agreed to.

The amendment was agreed to.

Mr. GALLINGER. Now, Mr. President, I will ask the Senator from Mississippi as to the precise shape the amendments that are agreed to leave this matter concerning life insurance companies. Of course, we could not understand it from simply hearing it read. Will the Senator state it in a few words?

Mr. WILLIAMS. In every case we have stricken out the Senate committee amendments providing for mutual life insurance companies to be exempt. In every case we have kept in the bill the committee amendment providing for marine insurance companies to be exempt.

Mr. GALLINGER. That, I should think, would meet the contention that has been made.

Mr. WILLIAMS. I think so. I can not hear the conversation going on between the Senator from New Hampshire and the Senator from Utah.

Mr. GALLINGER. The Senator from Utah suggested to me that mutual insurance companies had insisted they ought to have the exemption, and the committee has recommended that that should be stricken out, so they are not exempted.

Mr. WILLIAMS. They are not exempted. Under the present law they are not exempted and we found out if we undertook to exempt so-called mutual life insurance companies, in order to do complete justice we would have to exempt all life insurance companies that issued a mutual participating policy. We concluded that that was losing entirely too much revenue, and as they were already taxed under the present excise law we said we would continue it.

Now mutual marine insurance companies are upon a different footing. They do not make any profit at all. The only thing they make is enough money to pay the officers who manage the business.

Mr. GALLINGER. I appreciate the difficulty that confronted the committee, because it has been urged very vigorously that if mutual companies were exempt all the companies that issue mutual policies ought to be exempt.

Mr. WILLIAMS. We finally came to that conclusion.

Mr. GALLINGER. I presume the committee took a very wise course.

Mr. WILLIAMS. Now I offer an amendment on page 213.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. Amend by adding as a new provision on page 213—

Mr. WILLIAMS. By the way, section 3 was passed over and has not been adopted. I ask for the adoption of section 3 first.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee to insert as section 3 what will be read.

The SECRETARY. It is proposed to insert as section 3, beginning at page 210, the following:

SECTION III.

That upon each sale, agreement of sale, or agreement to sell, any cotton for future delivery at or on any cotton exchange, or board of trade, or other similar place, or by any person acting in substantial conformity to the rules and regulations or market quotations of any such cotton exchange, board of trade, or other similar place, there is hereby levied a tax equal to one-tenth of 1 cent per pound on the quantity of cotton mentioned and described in any such contract: *Provided*, That in all cases where the quantity and kind of cotton mentioned and described in such contract is actually delivered, in compliance in good faith therewith, by the seller to the buyer therein respectively named, the tax levied by this section shall be refunded to the party paying the same in such manner and under such regulations as the Secretary of the Treasury shall prescribe. Any sale, agreement of sale, or agreement to sell, any cotton for future delivery, at or on any cotton exchange, board of trade, or other similar place, or by any person acting in conformity to the rules and regulations of any such cotton exchange, board of trade, or other similar place, in any foreign country, where the order for such sale has been transmitted from the United States to such foreign country and either the buyer or the seller described in such contract of sale is at the time of the execution thereof a resident of the United States, shall be deemed and considered in all respects a sale, agreement of sale, or agreement to sell, for future delivery, of the cotton described therein within the meaning of this section. A corporation organized under the laws of any State or country shall be deemed for all purposes a person within the meaning of this section. All contracts for the sale as aforesaid of cotton for future delivery at the places and by the persons herein mentioned shall be in writing, plainly stating the terms of such contract and indicating the parties thereto and signed by the party to be charged, by himself or his agent. The said tax shall be paid by means of stamps affixed to such written contract and shall be paid by the party named as buyer therein.

That the Secretary of the Treasury is hereby authorized and empowered to make, prescribe, and publish all rules and regulations necessary to the enforcement of the foregoing section and to the collection of the tax thereby imposed. To further effect this purpose, he is hereby authorized to require all persons coming within its provisions to keep such records and systems of accounting as will fully and correctly disclose the transactions in connection with which the said tax is authorized; and he may appoint such agents as he may deem necessary to conduct the inspection necessary to collect the tax herein authorized and otherwise to enforce this statute and all rules and regulations lawfully made in pursuance thereof, as in his judgment may be required, and to fix the compensation of such agents.

That any cotton exchange, board of trade, or other similar place, its officers and agents, or persons acting in substantial conformity with the rules and regulations or market quotations of any such cotton exchange, board of trade, or other similar place where contracts for the sale of cotton for future delivery are made in violation of this statute, and every person who is made liable for the tax thereby imposed who shall fail to pay, or shall evade, or attempt to evade, the payment of the tax levied by this section, or shall otherwise violate this statute, or any rule or regulation lawfully made by the Secretary of the Treasury in pursuance thereof, shall be guilty of a misdemeanor, and upon conviction thereof shall pay a fine in any sum not less than \$100 nor more than \$20,000; and in case of natural persons or unincorporated associations of persons violating this act an additional punishment by imprisonment for not less than one year nor more than three years may be imposed, at the discretion of the court.

In addition to the foregoing punishment, there is hereby imposed a penalty of \$2,000 on each separate sale made in violation of this statute, to be recovered in an action founded on this statute in the name of the United States as plaintiff, and when so recovered one-half of said amount shall be paid over to the person giving the information upon which such recovery is based.

That no person whose evidence is deemed material by the officer prosecuting on behalf of the United States shall withhold his testimony because of complicity by him in any violation of this statute, but any such person so required to give evidence as a witness shall be exempt from prosecution in any court of the United States for the particular offense in connection with the prosecution whereof such testimony was given.

That the payment of the tax levied under authority of this section shall not exempt any person from any penalty or punishment now or hereafter provided by the laws of any State for entering into contracts for the future delivery of cotton; nor shall the payment of taxes imposed by this section be held to prohibit any State or municipality from imposing a tax on the same transaction.

The amendment was agreed to.

Mr. WILLIAMS. Now, I move as an amendment what I have sent to the desk.

Mr. NORRIS. We have passed over some amendments that I think the RECORD shows were offered. As to page 209, I simply wish to announce that I have offered an amendment to provide for an inheritance tax. In order that the committee may get the bill out of Committee of the Whole and into the Senate, after consulting with others who are interested in this amendment, we have decided not to press the amendment until the bill gets into the Senate.

Mr. WILLIAMS. All right.

Mr. SIMMONS. That is the inheritance tax amendment?

Mr. NORRIS. Yes. The same thing can be said in regard to another amendment on page 250 of the bill providing for including some provision against the so-called Brazilian valorization of coffee proposition. Both those amendments will take considerable time, and understanding the purpose we did not want to hinder the committee from getting the bill out of committee into the Senate. So we will not offer the amendments until Monday.

Mr. WILLIAMS. I do not know that that will help us particularly. They might just as well be considered now as then.

Mr. NORRIS. I do not know either.

Mr. WILLIAMS. Still the Senator has the right to offer the amendments when he chooses.

Mr. NORRIS. I will state to the Senator from Mississippi that I adopted that course after consulting with the chairman of the committee and with other Members on this side who are interested in the amendments.

Mr. JONES. In that connection I desire to say that I had an inheritance tax amendment that I had offered and expected it to follow the amendment of the Senator from Nebraska. If that is not adopted, I am going to follow the same course as he and wait until we get the bill into the Senate before presenting the amendment.

The PRESIDING OFFICER. The next amendment will be stated.

The SECRETARY. The next amendment proposed by Mr. WILLIAMS is on page 213, after line 20, to insert:

The provisions of the foregoing section shall take effect and be in force from and after the first day of September, 1914.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Mississippi.

Mr. NORRIS. Mr. President, I notice that the senior Senator from Iowa [Mr. CUMMINS] is not in the Chamber. He has an amendment, I believe, as a substitute for this section, which was referred to the committee.

Mr. WILLIAMS. Though the Senator from Iowa is not in the Chamber, we can not stop the whole bill.

Mr. KENYON. The substitute can be offered in the Senate.

Mr. WILLIAMS. Well, we passed this over once. The Senator from Iowa can offer his substitute in the Senate.

Mr. SIMMONS. He can offer it to-night if he gets back in time.

Mr. WILLIAMS. Oh, yes; if he gets back in time he can offer it to-night. I ask unanimous consent that the section may be returned to for the purpose of the senior Senator from Iowa [Mr. CUMMINS] offering a substitute therefor, if he returns to-night.

The PRESIDING OFFICER. Without objection, it is so ordered. The question is on agreeing to the amendment offered by the Senator from Mississippi.

The amendment was agreed to.

The SECRETARY. In section 4, on page 219, beginning with line 4, the amendment was recommitted down to and including the word "article," in line 7, on page 220.

Mr. WILLIAMS. I move to disagree to the Senate committee amendment and leave the language in the bill as it came from the House.

The PRESIDING OFFICER. The amendment proposed by the committee will be stated.

The SECRETARY. In section 4, page 219, line 21, after the word "subsequently," the Committee on Finance propose to insert:

That the Secretary of the Treasury and the Secretary of Commerce are hereby authorized and directed to establish from time to time for statistical purposes a list or enumeration of articles in such detail as in their judgment may be necessary comprehending all goods, wares, and merchandise imported into the United States, and that as a part of the declaration herein provided there shall be either attached thereto or included therein an accurate statement specifying, in the terms of the said detailed list or enumeration, the kinds and quantities of all merchandise imported, and the value of the total quantity of each kind of article.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was rejected.

The PRESIDING OFFICER. The Secretary informs the Chair that the amendment was agreed to on August 30. Therefore a motion to reconsider the vote by which the amendment was agreed to will have to be made.

Mr. WILLIAMS. Very well. If that is the case, I move that the vote by which the amendment was agreed to be reconsidered.

The PRESIDING OFFICER. Without objection, the vote by which the amendment was agreed to will be reconsidered. The question now is on the motion of the Senator from Mississippi [Mr. WILLIAMS] to disagree to the amendment of the committee.

The motion was agreed to.

Mr. WILLIAMS. On page 248, line 19, before the word "earthen," I move to insert the word "lime" and a semicolon. The amendment was agreed to.

Mr. WILLIAMS. On page 249, line 13, before the word "cheese," I move to insert the word "lime" and a semicolon.

Mr. JONES. I want to ask the Senator from Mississippi what real rates the committee intend to make on lime in the case provided by the amendment?

Mr. WILLIAMS. It is the rate named here. It is now 5 per cent.

Mr. JONES. Yes.

Mr. WILLIAMS. Is that right?

Mr. JONES. Is it the intention of the committee to make the rate 6½ per cent? That is what one and one-half times the rate means. I can not believe that the committee intended that. That only permits the President to make an increase of 1½ per cent.

Mr. WILLIAMS. The committee agreed that it should be put at 10 per cent.

Mr. JONES. Then, that would be twice the rate.

Mr. WILLIAMS. Yes.

Mr. JONES. It would be twice the rate, instead of one and one-half times.

Mr. WILLIAMS. Yes.

Mr. JONES. Then, the Senator from Mississippi should offer such an amendment.

Mr. SIMMONS. It ought to go right there, in line 10, "lime, 10 per cent."

Mr. WILLIAMS. I was mistaken.

Mr. SIMMONS. If the Senator from Mississippi will permit, I have looked into this matter somewhat, and the insertion ought to be immediately after the retaliatory duty imposed on tea, in line 10. Add there, "lime, 10 per cent ad valorem."

Mr. WILLIAMS. Mr. President, the Senator from North Carolina will disarrange the paragraph if his suggestion is followed, because it now reads, "On the following articles one and one-fourth times the rate specified in section 1 of this act." If the Senator from North Carolina should insert the word "lime" there, then we should have to change all of the succeeding language.

Mr. SIMMONS. That refers to the articles mentioned after "tea."

Mr. JONES. The Senator from North Carolina suggests to make the insertion before that.

Mr. WILLIAMS. If the Senator from North Carolina will listen to me, I will read the language. It is as follows:

On the following articles one and one-fourth times the rate specified in section 1 of this act, namely, on earthen, stone, and china ware; expressed oils; lemons; cheese; wines of all kinds; malt liquors; knitted goods; silk dresses and silk goods; leather gloves; laces and embroideries of whatever material composed and articles made wholly or in part of the same; toys; jewelry and precious, semiprecious, and imitation precious stones suitable for use in the manufacture of jewelry.

Mr. SIMMONS. I propose to put it right there before the beginning of what the Senator has read—immediately after the words "tea, 10 cents per pound."

Mr. WILLIAMS. Very well. Then I move to reconsider the vote whereby the amendment putting the word "lime" just before the word "cheese," in line 13, was adopted, and then I will move to insert the word "lime," in line 10, just after the word "tea."

Mr. JONES. It ought to be after the word "pound."

The PRESIDING OFFICER. The first question is on reconsidering the amendment just adopted.

Mr. JONES. That amendment was not adopted, because I had risen and addressed the Chair with reference to the proposition. It was simply proposed.

Mr. WILLIAMS. It should read, "tea and lime, 10 cents a pound."

Mr. JONES. I should like to have it that way, but that is not the way the Senator from North Carolina wants it.

Mr. SIMMONS. The retaliatory duty on tea is 10 cents a pound, and on lime it should be 10 per cent ad valorem.

The PRESIDING OFFICER. The Senator from Washington [Mr. Jones] is correct. The amendment was not agreed to.

Mr. WILLIAMS. The Senator from North Carolina insists that the word "lime" should come immediately after the word "tea." It ought to come right after the word "pound," in line 10, so as to read, "lime, 10 per cent."

Mr. SIMMONS. The Senator from Mississippi is entirely mistaken when he says I insisted on putting it immediately after the word "tea." I did nothing of the kind.

Mr. WILLIAMS. I thought the Senator did.

Mr. SIMMONS. I insisted on putting it immediately after the retaliatory duty imposed on tea, which is 10 cents per pound.

Mr. WILLIAMS. I understood the Senator the other way.

Mr. SIMMONS. I did not say anything of the sort.

The PRESIDING OFFICER. The Secretary will state the amendment proposed by the Senator from Mississippi.

The SECRETARY. On page 249, in line 10, after the word "pound" and the semicolon, it is proposed to insert "lime, 10 per cent ad valorem."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Mississippi.

The amendment was agreed to.

The SECRETARY. The next amendment passed over is on page 262, J, subsection 5, line 19, passed over on the request of Mr. GALLINGER.

Mr. GALLINGER. Mr. President, I have looked into the matter, and am quite willing that the amendment shall be agreed to.

The PRESIDING OFFICER. The amendment will be stated with the committee amendment.

The SECRETARY. In paragraph J, subsection 5, page 262, line 19, after the word "of," it is proposed to insert "naval vessels of the United States," so as to make the subsection read:

J. Subsection 5. That all materials of foreign production which may be necessary for the construction of naval vessels of the United States, vessels built in the United States for foreign account and ownership, or for the purpose of being employed in the foreign or domestic trade, and all such materials necessary for the building of their machinery, and all articles necessary for their outfit and equipment, may be imported in bond under such regulations as the Secretary of the Treasury may prescribe; and upon proof that such materials have been used for such purposes no duties shall be paid thereon.

The amendment was agreed to.

The SECRETARY. In paragraph J, subsection 6, page 263, line 5, after the words "repair of," it is proposed by the committee to strike out "American vessels" and insert "naval vessels of, or other vessels owned or used by, the United States and vessels admitted to registration under the laws of the United States," so as to make the subsection read:

J. Subsection 6. That all articles of foreign production needed for the repair of naval vessels of, or other vessels owned or used by, the United States and vessels admitted to registration under the laws of the United States may be withdrawn from bonded warehouses free of duty under such regulations as the Secretary of the Treasury may prescribe.

The amendment was agreed to.

Mr. WILLIAMS. On page 250, line 20, I move the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 250, line 20, after the word "same," it is proposed to insert "except in so far as paragraph 179 of Schedule E, section I, may be determined to be in conflict with the proviso to article 8 of said treaty."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Mississippi.

The amendment was agreed to.

Mr. WARREN. Mr. President, I should like to recur to page 262 for a moment. I desire to ask a question. At the top of page 262 there seems to have been an amendment put in by the Senate, reading as follows:

Models of women's wearing apparel imported by manufacturers for use as models in their own establishments.

Of course the articles referred to in that provision are dresses or gowns, wraps, and so forth, and they are sold as such. Is it the idea to bring them in free while other articles of dress are made dutiable?

Mr. WILLIAMS. When they come here in this way they are imported by manufacturers and are used as models in their own establishments and not for sale.

Mr. WARREN. But they are invariably sold, I think; in fact, it is quite the thing for ladies to buy models. They buy them in large numbers, and pay high prices for them.

Mr. WILLIAMS. There were several people who came before the subcommittee and urged that, while they were allowed to bring in samples solely for use in taking orders for merchandise and various other things, amongst others model patterns for use in manufacturing casts, and so forth, there was no such provision in regard to models of women's wearing apparel.

Mr. WARREN. Mr. President, that may be the intention, and I do not know that I object to bringing in ladies' wardrobes untaxed, but the fact is that dozens, yes, scores and scores, of dresses are brought over as models, sold as models, and called "models." This provision, of course, will allow them to come in by the hundred.

Mr. WILLIAMS. I do not think so, because it says "imported by manufacturers for use as models in their own establishments."

Mr. WARREN. That is true, but—

Mr. WILLIAMS. If the models go out of their own establishments they would be subject to the tax.

Mr. WARREN. Every dressmaking establishment brings over models and sometimes makes one or two dresses like the models and only that number, because the purchasing public like to have but very few of a kind, perhaps one of a kind.

Mr. WILLIAMS. So as to clear up that ambiguity, if it exists, I suggest to the Senator whether or not it would be satisfactory to insert after the word "establishments" the words "and not for sale."

Mr. WARREN. That is satisfactory.

Mr. WILLIAMS. I move, then, to insert those words in line 3, after the word "establishments."

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 262, line 3, after the word "establishments," it is proposed to insert the words "not for sale."

Mr. SMOOT. Mr. President, I think if the Senator will read the subsection, he will not ask that those words be put in, either. This is what it says:

That machinery or other articles to be altered or repaired, molders' patterns for use in the manufacture of castings intended to be and actually exported within six months from the date of importation thereof.

Of course, it does not hurt if you want to put in those words.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Mississippi.

The amendment was agreed to.

Mr. WILLIAMS. I offer an amendment to come in on page 267, line 12.

The PRESIDING OFFICER. The attention of the Senator from Mississippi is called to the fact that there is something passed over on a preceding page which the Secretary will state.

The SECRETARY. On page 263 the committee amendment proposes to strike out lines 11 to 14, both inclusive. That paragraph was passed over at the request of the senior Senator from Washington [Mr. JONES].

Mr. JONES. I simply desire to say that on account of the small attendance here I am not going to oppose adoption of the committee amendment to-night. I desire to say, however, that I shall ask for a separate vote on the committee amendment when the bill comes into the Senate, and shall have an amendment to propose to it, and shall then oppose the adoption of the committee amendment.

Mr. WILLIAMS. Very well.

The amendment was agreed to.

The PRESIDING OFFICER. The Secretary will now report the amendment of the Senator from Mississippi.

The SECRETARY. On page 267, line 12, after the word "and," it is proposed to insert the words "boxes or packages containing."

The PRESIDING OFFICER. The amendment just offered by the Senator from Mississippi was agreed to on the 30th day of August.

Mr. WILLIAMS. The committee amendment there in the bill has been already adopted, I think.

The PRESIDING OFFICER. Yes.

Mr. WILLIAMS. Now, I have offered an amendment to that amendment, after the word "and," in line 12, to insert "boxes or packages containing."

Mr. GALLINGER. That was agreed to.

The PRESIDING OFFICER. That amendment was inserted on the 30th day of August, and agreed to.

Mr. WILLIAMS. Oh, it was?

Mr. GALLINGER. Yes.

The SECRETARY. On page 267, subdivision N, beginning "That the works of manufacturers engaged in smelting or refining, or both, of ores and crude metals," etc., running over to and including line 16, on page 268, was recommitted to the committee on the 30th day of August.

Mr. WILLIAMS. At whose request was that done?

The PRESIDING OFFICER. At the request of the Senator from Mississippi.

Mr. WILLIAMS. I have no note of its having been recommitted. Oh, I remember now, Mr. President. It was recommended that in place of paragraph N there should be inserted a substitute in the language I will send to the desk. By my neglect this matter was not submitted to the committee. It was accompanied by a letter, I will state, to the chairman of the committee from the Secretary of the Treasury, accompanied by a letter from James L. Gerry, of New York, and a communication recommending the insertion of the matter which I will send up as a substitute. I read it over, and I think it ought to be substituted for the paragraph.

Mr. SIMMONS. Mr. President, I think that is all right. I have been over it, and I think it is satisfactory.

The PRESIDING OFFICER. The Senator from Mississippi reports back the amendment from the committee with an amendment, which the Secretary will read.

The SECRETARY. On page 267, it is proposed to strike out paragraph N and insert the following in lieu thereof:

N. That the works of manufacturers engaged in smelting or refining, or both, of ores and crude metals, may, upon the giving of satisfactory bonds, be designated as bonded smelting warehouses. Ores or crude metals may be removed from the vessel or other vehicle in which imported, or from a bonded warehouse, into a bonded smelting warehouse without the payment of duties thereon and there smelted or refined, or both, together with other ores or crude metals of home or foreign production: *Provided*, That the bonds shall be charged with the amount of duties payable upon such ores and crude metals at the time of their importation, and the several charges against such bonds may be canceled upon the exportation or delivery to a bonded manufacturing warehouse established under paragraph M of this section of an amount of the same kind of metal equal to the actual amount of dutiable metal producible from the smelting or refining, or both, of such ores or crude metals, as determined from time to time by the Secretary of the Treasury: *Provided further*, That the said metals so producible, or any portion thereof, may be withdrawn for domestic consumption or transferred to a bonded customs warehouse and withdrawn therefrom and the several charges against the bonds canceled upon the payment of the duties chargeable against an equivalent amount of ores or crude metals from which said metal would be producible in their condition as imported: *Provided further*, That on the arrival of the ores and crude metals at such establishments they shall be sampled and assayed according to commercial methods, under the supervision of the Government officers to be appointed by the Secretary of the Treasury and at the expense of the manufacturer: *Provided further*, That antimonial lead produced in said establishments may be withdrawn for consumption upon the payment of the duties chargeable against it as type metal under existing law and the charges against the bonds canceled in a similar sum: *Provided further*, That all labor performed and services rendered pursuant to this section shall be under the supervision of an officer of the customs, to be appointed by the Secretary of the Treasury, and at the expense of the manufacturer: *Provided further*, That all regulations for the carrying out of this section shall be prescribed by the Secretary of the Treasury.

The amendment was agreed to.

Mr. SIMMONS. Mr. President, with the consent of the Senator from Mississippi, if it does not interfere with him, there is an amendment which I wish to offer for the committee on page 67, in line 12, after the word "spirits." It is the amendment recommended by the department.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 67, line 12, after the word "spirits" and before the period, it is proposed to insert the following:

Except that when written protest is filed with the collector of customs by the importer before he accepts the goods, reciting that a cask or package has been broken or otherwise injured in transit from a foreign port, and that as a result a part of the contents thereof, amounting to 10 per cent or more of the value of the contents of said cask or package in the condition as exported from said foreign port before such breakage or injury occurred, has been lost, particularly specifying and identifying the package, consignment, and invoice from which the loss has occurred, it shall be the duty of the collector to separate said package or packages so alleged to have been broken or injured, or the consignment from which a portion thereof is alleged to have been lost, and to cause a separate inventory and appraisal thereof to be made, and duties shall be collected only upon the balance remaining in said cask or package, less normal outage or wantage, as determined by the official gauger.

Mr. SMOOT. Mr. President, there was so much noise in the Chamber that I could hardly hear the amendment, but I should like to ask the Senator from North Carolina a question.

Mr. SIMMONS. Mr. President, I withdraw the amendment until we get into the Senate.

Mr. SMOOT. No; the Senator need not withdraw it. I am in favor of the amendment if I understand it correctly. I just wish to ask the Senator a question. That applies only in a case where 10 per cent of the contents of the cask has leaked out?

Mr. SIMMONS. Yes.

Mr. SMOOT. Anything less than 10 per cent it would not apply to?

Mr. SIMMONS. It would not apply to anything less than 10 per cent.

Mr. SMOOT. I have no objection to the amendment.

Mr. SIMMONS. I submitted the amendment to the department, and they said it ought to be adopted.

Mr. SMOOT. There is not any question about it.

Mr. SIMMONS. It is an amendment offered by the Senator from Ohio [Mr. POMERENE].

Mr. SMOOT. We had a similar bill before the Senate, and tried to pass it, once. I think it is a very just provision.

Mr. POMERENE. I have been advised that where there has been an accident to a cask, and part of its contents has leaked out, the Government will not allow a rebate under the present law.

Mr. SMOOT. The Government can not allow a rebate under the present law.

Mr. POMERENE. That has been held; and it is to remedy that that this amendment is offered.

Mr. SMOOT. I think it is a very proper measure.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Carolina.

The amendment was agreed to.

Mr. WILLIAMS. I wish to ask whether, when we went over the bill before, the matter on page 273 beginning with line 11 and ending with line 17 was stricken out or not?

The PRESIDING OFFICER. The amendment was disagreed to on the 30th day of August.

Mr. WILLIAMS. That is right, then. On page 274, line 23, after the word "act," I wish to insert the matter which I send to the desk.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. On page 274, on August 30, the amendment of the committee was recommitted to the committee.

Mr. WILLIAMS. Now the committee is ready to report it with an amendment. I have just sent the amendment to the Secretary.

The PRESIDING OFFICER. The Senator from Mississippi reports back the committee amendment with an amendment, which will be stated.

The SECRETARY. In lieu of the committee amendment as reported it is proposed to insert the following:

To permit any oaths to be demanded or fees to be charged except as provided in this act or in section 2862 of the Revised Statutes of the United States, nor.

Mr. WILLIAMS. Some Senator on the other side called attention to that, and there was fear expressed that the bill as worded now might dispense with the consular oaths demanded by the Department of State. Section 2862 is the section of the Revised Statutes which requires consular oaths; so I provided for it in this way, to continue the consular oaths.

Mr. CLARK of Wyoming. Mr. President, I wish to call the attention of the Senator from Mississippi to the fact that in that same subdivision T occurs the matter that was again taken under consideration by the committee to-day, at the suggestion of the junior Senator from Utah [Mr. SUTHERLAND], in relation to providing for the Customs Court. It is in the same section.

Mr. WILLIAMS. That can be very easily cured.

Mr. CLARK of Wyoming. It will require some change of language in order to cure it.

Mr. WILLIAMS. I do not know that it will. It reads:

Subsection 29 of section 28 and subsequent provisions relating to the establishment and continuance of a Customs Court.

The contention of the Senator from Utah was that the words "subsequent provisions" necessarily referred to subsequent provisions in that subsection, but after we finish a subsection there can be no subsequent provision.

Mr. CLARK of Wyoming. If the Senator from Mississippi is satisfied, very well. I merely wanted to call his attention to the fact that the Senator from Utah, who is not at present in his seat, called attention to it to-day.

Mr. WILLIAMS. I suggested to the Senator this morning, though he had not time to reply to me and look into it, that perhaps it would be well to strike out the word "provision" and say "subsequent enactments," or "subsequent laws," or "subsequent amendments." In order to get the opportunity to amend the matter in conference, at any rate, I move to strike out the word "provision" and substitute "laws and amendments."

The PRESIDING OFFICER. There is an amendment already pending. The question is on the former amendment.

The amendment was agreed to.

The PRESIDING OFFICER. Now the Senator from Mississippi offers an amendment, which will be stated.

Mr. WILLIAMS. In line 2, page 275, I move to strike out the word "provisions" and insert "laws and amendments."

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. On August 30 the committee amendment at the bottom of page 275 was agreed to. All the matter commencing with the word "Subsection," on line 1, down to and including the word "act," in line 18, page 276, was recommitted to the committee.

Mr. WILLIAMS. Now, Mr. President, I wish to call the attention of the Senator from Connecticut [Mr. BRANDEGEE] to the fact that at his request we took back the proviso beginning in line 21 so that we might use the precise language of the excise tax.

Mr. CLARK of Wyoming. I will suggest to the Senator that the amendment which he proposed to the word "provisions" has not yet been acted upon.

Mr. WILLIAMS. I thought it had been.

The PRESIDING OFFICER. No; it has not. The question is on agreeing to the amendment offered by the Senator from Mississippi, which the Secretary will state.

The SECRETARY. On page 275, line 2, it is proposed to strike out the word "provisions" and insert the words "laws and amendments."

The amendment was agreed to.

Mr. WILLIAMS. Now, Mr. President, in lines 21 and 22, page 275, following the amendment—and I call the attention of the Senator from Connecticut [Mr. BRANDEGEE] to this—I have gone back and gotten the precise language of the excise law, and have substituted it for the language of the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 275, line 21, after the word "that"—

The PRESIDING OFFICER. That amendment has already been agreed to. Does the Senator from Mississippi move to reconsider the action of the Senate in agreeing to the amendment on August 30?

Mr. WILLIAMS. The amendment has already been agreed to, and I am now amending the amendment as agreed to.

The PRESIDING OFFICER. The Senator from Mississippi offers an amendment to the amendment of the committee as agreed to. The Secretary will report the amendment to the amendment.

The SECRETARY. On page 275, line 21, after the word "that," it is proposed to insert the words "a special"—

Mr. WILLIAMS. Strike out the indefinite article "an" and substitute the words "a special."

Mr. SMOOT. If that is the case, this will have to be reconsidered.

The PRESIDING OFFICER. The Chair is of that opinion. The Chair is of opinion that a motion to reconsider will have to be made by the Senator from Mississippi.

Mr. WILLIAMS. I differ with the Chair; but, as the court said to the young man, "Your opinion goes right now, and we won't stop to argue it."

The PRESIDING OFFICER. Does the Senator from Mississippi move to reconsider?

Mr. WILLIAMS. I move, then, to reconsider.

The motion to reconsider was agreed to.

The PRESIDING OFFICER. The Secretary will now state the amendment.

The SECRETARY. On page 275, line 21, after the word "That," it is proposed to strike out "an" and insert "a special."

The amendment was agreed to.

The SECRETARY. In line 22, after the word "tax," strike out the words "upon the" and insert the words "with respect to the carrying on or."

Mr. WILLIAMS. So as to read:

That a special excise tax with respect to the carrying on or doing of business.

That is the exact language of the old bill. It is not very good grammatically, but I thought it safer to follow it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. WILLIAMS. I took notes, and I think we have covered everything that was passed over. Is there anything else at the clerks' desk passed over which has been omitted?

Mr. SMOOT. Paragraph 254½ was passed over.

Mr. SIMMONS. I think I will be ready to deal with that in a few minutes. The Senator from Georgia [Mr. SMITH] desires to submit some remarks. I wish to ask the Senator from Iowa [Mr. CUMMINS] if he desires to submit his amendment?

Mr. JOHNSON. I wish to recur to paragraph 328, on page 97, for the purpose of offering an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 97, paragraph 328—

Mr. JOHNSON. In behalf of the committee, I move to insert, after the word "felt," in the eleventh line, the words "common paper-box board, not coated, lined, embossed, printed, or decorated in any manner, nor cut into shapes for boxes or other articles."

Mr. SMOOT. Let it be read.

The PRESIDING OFFICER. The amendment will be read.

The SECRETARY. On page 97, line 11, after the word "felt" and the comma, insert the following:

Common paper-box board, not coated, lined, embossed, printed, or decorated in any manner, nor cut into shapes for boxes or other articles.

Mr. SMOOT. Let me suggest to the Senator that he ought to strike out the word "and" before "roofing," so that the paragraph will read:

328. Sheathing paper, pulpboard in rolls, not laminated, roofing felt, and common paper-box board, not coated, lined, embossed, printed, or

decorated in any manner, nor cut into shapes for boxes or other articles, 5 per cent ad valorem.

Mr. JOHNSON. I think the Senator from Utah is correct. I also move to strike out the word "and" before "roofing," on page 97, the first word in line 11.

The PRESIDING OFFICER. The Senator from Maine modifies his amendment. The question is on agreeing to the amendment as modified.

The amendment as modified was agreed to.

Mr. CUMMINS. A few days ago I presented an amendment suggesting that I would offer it as a substitute for the committee amendment found on pages 210 to 213, being section 3 of the bill. In my absence the amendment of the committee was adopted, and I do not care to have the action of the Senate reconsidered. In fact, upon reflection—

The PRESIDING OFFICER. The Chair will state to the Senator from Iowa that it was agreed by unanimous consent that it could be recurred to.

Mr. CUMMINS. I so understood; but upon reflection I have reached the conclusion that I would prefer to offer the amendment as an addition to the bill rather than as a substitute to the amendment proposed by the Senator from Arkansas [Mr. CLARKE] that came through the committee. Therefore I shall offer the following as an amendment to follow line 20, on page 213.

Mr. CLARKE of Arkansas. There has been an amendment to that paragraph added after line 20 by the committee. It would follow that.

Mr. CUMMINS. Very well; it is to follow the amendment that has now been adopted by the Senate.

Mr. SIMMONS. I think the amendment has been read once. Does the Senator from Iowa desire to have it read again?

Mr. CUMMINS. I stated what the amendment is the other day.

Mr. SIMMONS. The Senator can restate it.

Mr. CUMMINS. I do not ask that it be read, but I do desire the opportunity of restating what it provides. It proposes to levy a tax of 10 per cent upon all sales made on stock exchanges, boards of trade, and other like institutions wherein the seller is not the owner of the things sold at the time the transaction takes place. Whatever may be its revenue-producing quality, the uppermost thought in my mind is to restrict if not to entirely abolish what is known as short sales upon exchanges and boards of trade. I speak of them as short sales. I am very moderate and polite when I so describe them. If I were to be entirely accurate in describing these transactions, I would call them speculative gambling.

I regard these transactions as one of the great evils of our modern commercial system, an evil that has wrought a more serious effect not only upon the stability of business but upon the morality of those who engage in the business than any other phase of our State or interstate commerce. I believe that we ought to put this limitation upon them, knowing that it will very greatly reduce the extent of the gambling and hoping and believing that it will entirely exterminate that method of doing business. I presented the subject at a good deal of length the other day. I have not the heart to impose further upon an already overworked and wearied Senate. Therefore, I do nothing more at this time than to ask for the yeas and nays upon my amendment.

Mr. CLARKE of Arkansas. Mr. President, I shall not be able to vote at this time for the amendment offered by the Senator from Iowa. I do not refrain from voting for it, however, because I do not approve of the general principle upon which it is cast. I most heartily agree with him, and on some appropriate occasion I hope to serve in cooperation with the Senator in putting upon the statute books just such legislation. I believe that the gambling carried on by the exchanges of this country is a most demoralizing force in our commercial life. I believe it is doing more to disturb the lines of legitimate commerce than everything else combined.

I shall not, however, be able to vote for the amendment because of the lateness of the hour and because of the fact that this bill has been practically matured under supervision that did not involve consultation with the distinguished Senator from Iowa. I am sure that many features of it must have been improved had we had that opportunity, but the conditions under which we were called upon to act deprived us of it. I am committed absolutely and unconditionally to the exertion of every power at the command of this Government to suppress gambling upon the organized exchanges of the country.

Mr. BRISTOW. Mr. President, I am in hearty accord with the amendment that is contained in the bill as section 3, so far as it goes. I regret that it does not include gambling in grain as well as cotton. I believe the amendment proposed by the Senator from Iowa would accomplish the result as to grain that is sought to be accomplished by the amendment in the bill

as it relates to cotton. I can not see why gambling in cotton should be prohibited and then permitted in other farm products. The demoralization so far as it relates to cotton is just as bad in regard to wheat and other farm products.

I hope that those who believe that this form of gambling should be stopped will vote for the amendment which the Senator from Iowa has offered. It is the most corrupting influence to-day in American business life. It is worse than the Louisiana lottery ever was. It has destroyed the fortunes of more men and destroyed more people, morally and financially, ten to one than the Louisiana lottery ever did. Still we permit it to go on year after year.

I do hope that the Democratic Members will consent to extend this prohibition so as to include these stocks.

Mr. NORRIS. Mr. President, I listened the other day with a great deal of interest to the argument which was made by the Senator from Arkansas [Mr. CLARKE] in favor of the provision in the bill as it now stands. The speech that he delivered made an impression upon me. I was pleased to see the position he had taken. I was struck with the wonderful ability that he showed on that occasion and the broad comprehension that he had of the subject he was discussing. I am satisfied that what he said made a deep and lasting impression upon all those who listened to him with open minds.

I believe that I listened with an open mind, as I think I have at least tried to do with every argument that has been made upon every provision in the bill. But everything that he said seemed to me to be an argument not only for his amendment but for the broader and more comprehensive amendment offered by the Senator from Iowa [Mr. CUMMINS]. I will not detract one single iota from what the Senator from Arkansas said when I say that the good which would come from his amendment would all be reached and accomplished, and much more of the same kind, if we could adopt the amendment proposed by the Senator from Iowa.

I am struck with the remarkable proposition that the Senator from Arkansas has just announced in saying that practically he agreed with all the Senator from Iowa had said in favor of his amendment. I regret that such able Senators as the Senator from Arkansas and many others on the other side feel that under the circumstances they can not vote for an amendment which appeals so conclusively to their consciences.

I believe that the amendment proposed by the Senator from Iowa would do a wonderful lot of good to the country. The evil which exists in the cotton exchange exists in all the other exchanges, either to a greater or less degree. The same principle, it seems to me, applies to all. For one, I should like to strike this evil now, when we have an appropriate occasion to do it, and do it in such a way that it would be effective not only against the gambling in cotton but against the gambling on all other exchanges, in all the products of the farm and the necessities of life that pass through such boards of trade and exchanges.

The Senator from Arkansas said that at some future time he would be glad to cooperate with the Senator from Iowa to have this provision enacted into law. The same thing has been said in regard to several other amendments. I think the same thing will be said in regard to several amendments that are yet to be offered. It can not be said that the amendment of the Senator from Iowa is not in order, that it is not appropriate, because we had just passed an amendment proposed by the Democratic caucus that prohibits gambling in cotton futures, and yet we stop at that and do not take any steps to prohibit it in wheat and in corn and in the other products of the country.

There never was a more appropriate time and a more appropriate place, it seems to me, to put this law into effect than right now and right here. If we wait for other opportunities, I am afraid many of them will never come. We all know the difficulty that a measure of this kind must encounter before it gets to the point in parliamentary procedure we have now reached where the amendment is applicable. We may favor a great many other amendments and on account of caucus or other party considerations vote against them, believing that we are right, wishing for the opportunity to come when we are not surrounded by such conditions, when we are not compelled to vote against them, wishing that we might support them. But I want to say to you that in most instances those opportunities will not be presented, at least not for a long time. Before the Senator from Iowa can get his amendment in the shape of an independent bill as far along as it is now he will have many serious obstacles to contend with.

Mr. CUMMINS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Iowa?

Mr. NORRIS. I do.

Mr. CUMMINS. At this point I wish to remind the Senator from Nebraska, emphasizing what he has just said, that a bill of this character can not originate in the Senate of the United States, that we must await the pleasure of the House before we can ever consider it.

Mr. NORRIS. I thank the Senator for the suggestion. The Constitution of the United States provides that bills for raising revenue must originate in the House of Representatives. While the object of this particular amendment, as I presume was the object of the amendment of the Senator from Arkansas, is to prevent gambling in futures, the constitutional reason why it is in order here is because the taxing power of the Government is being exercised as is provided in the amendment. Some such bill must originate and pass through the other House, and we will never have an opportunity in this body to vote for it unless it is put on as an amendment to some bill similar to the one now pending.

I say in all seriousness, Mr. President, I regret more than I am able to express in words that an amendment like this and an amendment like the Senator from Iowa offered earlier in the evening, which appeals, I believe, to a vast majority of the Members of this body, must, on account of partisan considerations, be voted down by many Senators who would like to see it enacted into law.

The PRESIDING OFFICER. The Senator from Iowa requests the yeas and nays on agreeing to his amendment.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. STERLING (when Mr. CRAWFORD's name was called). My colleague [Mr. CRAWFORD] is necessarily absent. He is paired with the senior Senator from Tennessee [Mr. LEA]. If here and at liberty to vote, my colleague would vote "yea" on this proposition.

The PRESIDING OFFICER (when Mr. LEA's name was called). The occupant of the chair again announces his pair with the senior Senator from South Dakota [Mr. CRAWFORD]. If the occupant of the chair were at liberty to vote he would vote "nay."

Mr. MYERS (when his name was called). I transfer my pair with the Senator from Connecticut [Mr. MCLEAN] to the Senator from Arizona [Mr. ASHURST] and vote "nay."

Mr. OVERMAN (when his name was called). I have a general pair with the Senator from California [Mr. PERKINS]. If the Senator from California were present I should vote "nay." In his absence I withhold my vote.

Mr. REED (when his name was called). I transfer my pair with the senior Senator from Michigan [Mr. SMITH] to the Senator from Ohio [Mr. POMERENE] and vote. I vote "nay."

Mr. SAULSBURY (when his name was called). I have a pair with the junior Senator from Rhode Island [Mr. COLT], and therefore withhold my vote. If at liberty to vote, I should vote "nay."

Mr. THOMAS (when his name was called). I make the same transfer as announced heretofore and vote "nay."

The roll call was concluded.

Mr. JAMES. I have a general pair with the Senator from Massachusetts [Mr. WEEKS]. I transfer that pair to the Senator from Mississippi [Mr. VARDAMAN] and vote "nay."

Mr. BRYAN. I have a pair with the junior Senator from Michigan [Mr. TOWNSEND], which I will transfer to the senior Senator from Nebraska [Mr. HITCHCOCK] and vote "nay."

Mr. KERN. I transfer my pair with the Senator from Kentucky [Mr. BRADLEY] to the Senator from New Jersey [Mr. HUGHES] and vote "nay."

Mr. CHAMBERLAIN. I have a general pair with the junior Senator from Pennsylvania [Mr. OLIVER]. In his absence I withhold my vote.

Mr. GALLINGER. I have been requested to announce that the Senator from New Mexico [Mr. CATRON] is paired with the Senator from Arizona [Mr. SMITH] and that the Senator from Wisconsin [Mr. STEPHENSON] is paired with the Senator from South Carolina [Mr. TILLMAN].

The result was announced—yeas 16, nays 35, as follows:

YEAS—16.

Brady	Clark, Wyo.	Kenyon	Smoot
Brandagee	Cummins	La Follette	Sterling
Bristow	Gallinger	Norris	Warren
Clapp	Jones	Poindexter	Works
Bryan	Lane	Robinson	Smith, S. C.
Chilton	Martin, Va.	Shafroth	Stone
Clarke, Ark.	Martine, N. J.	Sheppard	Swanson
Fletcher	Myers	Sherman	Thomas
Hollis	O'Gorman	Shields	Thompson
Jackson	Owen	Shively	Thornton
James	Pittman	Simmons	Walsh
Johnson	Ransdell	Smith, Ga.	Williams
Kern	Reed	Smith, Md.	

NAYS—35.

NOT VOTING—44.

Ashurst	Culberson	Lippitt	Pomerene
Bacon	Dillingham	Lodge	Root
Bankhead	du Pont	McCumber	Saulsbury
Borah	Fall	McLean	Smith, Ariz.
Bradley	Goff	Nelson	Smith, Mich.
Burleigh	Gore	Newlands	Stephenson
Burton	Gronna	Oliver	Sutherland
Catron	Hitchcock	Overman	Tillman
Chamberlain	Hughes	Page	Townsend
Colt	Lea	Penrose	Vardaman
Crawford	Lewis	Perkins	Weeks

So the amendment of Mr. CUMMINS was rejected.

Mr. SMITH of Georgia. Mr. President, many times during this debate Senators upon the Republican side of the Chamber have made the claim that the passage of this tariff bill will probably bring the country to financial distress. They have appealed to the history of tariff legislation to sustain the claim. They have sought to show that the reduction of tariff taxes will flood this country with foreign products, and they have cited the panic during the last administration of President Cleveland to support their suggestions of hard times as the result of tariff reduction.

As this bill is to pass substantially in its present shape, it is well for the public to understand that the historical references made by Senators on the Republican side are inaccurate and their fears utterly without foundation.

Before dealing with the panic from which this country suffered during the last administration of President Cleveland let me call attention to the fact that the tariff legislation of 1846 can justly be compared to the present bill. The reduction of the tariff taxes in 1846 was followed by unprecedented prosperity. So that we have a record of substantial tariff-tax reductions accompanied with improvement and progress upon all lines of activities.

One of the severest panics from which this country ever suffered was in 1873. At that time we had a high protective tariff with no suggestion of its reduction, so that we have had a severe panic under a protective tariff. In all the woeful speeches made during this debate especial stress has been placed upon the panic during the last administration of President Cleveland, and with general terms, but without logic or reason, the effort has been made to connect the tariff legislation passed during his administration with the panic and to charge tariff-tax reductions as the cause of the panic.

Mr. Cleveland was inaugurated the second time on March 4, 1893. The panic was already in progress before his inauguration and before his election. The extreme period of the panic was during the year 1893, and the Wilson bill reducing tariff taxes was not passed until during the last half of the year 1894. No great increase of importation followed the tariff reductions of 1894. Our tariff importations were less in 1895 than they were in 1893, and less in 1896 than they were in 1892. The total importations for those four years were as follows:

1893	\$844,454,000
1895	731,162,000
1892	813,601,000
1896	759,694,000

The panic of 1893, which began, as I have already stated, prior to that time, took place under a high protective tariff. If it is urged that in 1893 it was known that the Democrats contemplated reducing the tariff and that this brought on the panic, we may well reply that a majority of the Senate was opposed in 1893 to tariff legislation in full compliance with Democratic principles, and this fact was generally known. To-day a majority of both Houses of Congress are known to be thoroughly in accord with the Democratic principle of tariff reduction. They are on the point of passing legislation, yet the business record of our country for the past 12 months has been one of prosperity and progress.

Our imports for the past fiscal year amounted in value to \$1,803,622,000 and our exports to \$2,477,514,000.

It is true that just at this time business halts. Merchants are waiting for the passage of this bill to know just what decreases of prices will be made on account of relief from tariff taxes. Barring this, the country is prosperous. By the 1st of September, 1893, the severest part of the panic of that period was passing.

It is easy to find causes for the panic of 1893. Those causes and the conditions of 1893 should be presented that all doubt, due to protestations of fear on the other side of this Chamber, may be removed from the public mind and evil consequences which might otherwise be caused from the doleful speeches we have heard be prevented.

The panic of 1893 was due to a number of causes. The large failure of Barring Bros. took place on November 20, 1890, and was followed with world-wide financial disturbance. The disturbance was so great in New York City that the banks were

forced to issue fifteen millions in clearing-house loan certificates, and loan rates rose in New York City at times to over 100 per cent, accompanied by numerous banking failures. This in itself affected conditions throughout the United States. There were, however, other agencies at work here that necessitated serious trouble.

Mr. Cleveland closed his first term as President on March 4, 1889. During the first four years of his service the country enjoyed unprecedented prosperity. The Government, financially, was strong. The revenues largely exceeded the appropriations. The surplus in the Treasury was so great that not only were those Government bonds retired which the law required, but Government bonds were bought upon the market, reducing the national debt, to prevent an excessive accumulation of money in the National Treasury. At the close of the administration of Mr. Cleveland on March 4, 1889, all liabilities had been paid and there was in the Treasury a surplus of \$180,000,000 and the gold reserve was ample. No Secretary of the Treasury ever turned over to his successor a Treasury more fully supplied or a national credit more absolutely established.

Under President Harrison, who followed President Cleveland, Mr. Windom became Secretary of the Treasury, and the measures which were then adopted wiped out the surplus in the Treasury and seriously affected the credit of the Government. In 1890-91 the tariff was revised upward. It was increased 10 per cent, not for the purposes of raising revenue, but for the purpose of excluding importations of foreign goods. Appropriations were also largely increased. The revenue was decreased over \$50,000,000 annually, while the appropriations were increased over a hundred million dollars annually. These two pieces of legislation changed the net balance in the Treasury annually over one hundred and fifty millions of dollars. The surplus from Mr. Cleveland's administration was rapidly wiped out, and by the 4th of March, 1893, the Treasury was reduced to the lowest state that it had been in for many years.

But the attack upon the national credit was not limited to emptying the Treasury. Secretary Windom recommended that all silver bullion offered to the Treasury should be bought and Treasury notes issued in payment. The House of Representatives did not accept his view, but it did pass a bill providing for the issuance of \$4,500,000 Treasury notes each month with which to purchase silver bullion. When this bill reached the Senate that body promptly substituted for it a bill providing for the free coinage of silver at the ratio of 16 to 1. This was done without regard to the fact that President Harrison had declared that a "free-coinage bill would be discreditable to our financial management and disastrous to all business interests." As a compromise a bill was passed providing for the purchase monthly of 4,500,000 ounces of silver bullion and the payment therefor with Treasury notes.

In the midst of a world-wide financial distrust the United States began issuing over fifty millions annually of Treasury notes, with nothing back of them but silver, and that, too, under a statute which required this continued increase of paper money with no provision for its absorption.

To quote from a subsequent report of a Republican Treasurer:

The people who had demanded this hundred million of ready cash made their use of it and were willing to part with it, but the Treasury which had found a means of paying it out could not call it back.

Foreign exchange began to rise and gold bars began to be taken from the Treasury for shipment abroad. By the end of June, 1891, the exports of gold had reached the unexampled figure of \$70,000,000 for the six months.

The big wheat crop of 1891, with the short crop abroad, checked the trouble, only to begin again in the early part of 1892. In the first six months of 1892, \$41,500,000 in gold was shipped abroad. In July and August gold was going out at the rate of two to seven millions weekly. Gold began to be so short that it ceased to enter into commerce, and the fear of a depreciated currency caused gold to be hoarded.

By the middle of July, 1892, both the Treasury and the banks ceased to pay gold through the clearing house. Up to this time the demand for gold for exportation had been obtained through the clearing house. During the latter part of the month of July, 1892, Government legal tenders were again carried to the Treasury and redemption in gold was demanded. This was the first demand for redemptions of Government legal tenders in gold of any large quantities since 1879.

Appropriations were still exceeding revenue, the gold reserve in the Treasury was depleted, and the Secretary of the Treasury, Mr. Foster, stated in December, 1892, that a heavy deficit in revenue was impending and that the whole machinery of the Government was imperiled.

In December, 1892, and January, 1893, upward of twenty-five millions of gold was withdrawn from the Treasury for export.

The gold reserve had fallen to only a few millions more than the legal minimum, and in February, 1893, before the inauguration of Mr. Cleveland, Secretary Foster gave orders to prepare the engraving plates for a bond issue under the Republican act to provide gold to meet legal-tender notes presented at the Treasury. He avoided the actual issue of these bonds in February by appealing to the New York banks to furnish him gold to prevent a panic. To his successors in the Treasury, on March 4, 1893, Mr. Foster left less than a million dollars in excess of the required gold reserve of one hundred millions and only twenty-five millions of available cash.

Referring to the situation on March 4, 1893, Noyes, in his *Thirty Years of American Finance*, declares:

Probably no financial administration in our history has entered office under such disturbing conditions. The Treasury was empty and public credit shaken.

The same author states, speaking of this period in March and April, 1893:

The very sight of this desperate struggle going on to maintain the public credit was sufficient to alarm both home and foreign interests, and this alarm was now reflected everywhere. The feverish money market, the disordered and uneasy market for securities, and the renewed advance in foreign exchange, combined to bring matters to a head.

In the meantime the reserve against the legal tenders had fallen below the statutory minimum. The same author states, referring to the same period:

The public mind was on the verge of panic. During a year or more it had been continuously disturbed by the undermining of the Treasury, a process visible to all observers. In all probability the crash of 1893 would have come 12 months before had it not been for the accident of the great harvest in 1891 in the face of European famine.

In 1893 the panic in the West had reached the stage which seemed to foreshadow general bankruptcy. During the summer of 1893 clearing-house certificates were issued against the assets of the banks and were used nearly everywhere instead of cash. Many banks adopted the extreme measure of refusing to pay cash for the checks of their own depositors. Certified bank checks upon perfectly solvent banks could not obtain money on presentation and were sold by brokers at a discount.

Mr. Cleveland called Congress together on August 7, 1893, to repeal the silver-purchase law of 1890, and Mr. Noyes, in his work already quoted, declares:

In the popular discussion of the day entire responsibility was laid on this law for the existing distress. * * * Repeal of the silver-purchase law stopped future mischief of inflation, but it could not change the mischief already done.

It is true that Coxey's army marched to Washington in the spring of 1894. It is true that many labor troubles existed during the spring and summer of 1894, but I have presented the facts sufficiently to show that most of these troubles—certainly the worst of them—and the causes which produced them preceded tariff legislation. The causes which brought on the panic of 1893 were entirely disconnected with the tariff bill of 1894.

I long for the prosperity of our entire country—for a prosperity which will bring wealth not alone to a few, but furnish a broad opportunity to the great masses of the people. The doleful misrepresentation of the panic of 1893 should cease. It has no bearing upon the present. To-day the Treasury of the United States contains \$1,250,000,000 in gold. It is amply supplied with funds to meet the wants of the Government. The Treasury is so strong that it is able to furnish a hundred millions of dollars to move the crops in the West and the South. Conditions are reassuring in all parts of the country.

Splendid crops are being gathered, the exportation of which, in part, will bring additional wealth to our people and add to our gold supply. Doleful countenances should give way to smiles. The time has passed when the people of this country will submit to the inexcusably high protective tariff, which even President McKinley condemned.

We believe in this bill, the passage of which we are pressing. It is an honest revision of the tariff downward, free from all favoritism. The bill is framed primarily to procure revenue, but at the same time we seek to attain this end in a way that will not injure legitimate industries. It is constructed not only to free the consumer from unjust burdens, but to place the manufacturing industries where they will not be confined to American markets. It is built upon the competitive theory, to the end that revenue may be raised and no concern be able to feel that it has a monopoly of the home market gained other than through the fact that it is able to furnish better goods at lower prices than others.

It is true that some of our manufacturing industries will feel the spur of competition where heretofore they have been without it, but there is no reason why they should fail to continue in lines of prosperity with broader trade. Given no longer the privilege of arbitrarily taking the dollars of their neighbors,

they will reach still further into the markets of the world for the sale of their commodities. The great body of consumers will feel a lightening of their burdens. A wider opportunity will be given for individual effort. The average man will have a better chance. I do not mean that these changes will come instantly. They will come gradually and be more and more perceptible each year for several years.

We may turn to the future with confidence. The wrangling over the bill is practically ended, and the business of the country will resume normal conditions with the passage of this measure.

Mr. STONE. Mr. President, I will ask the Secretary to read paragraph 254½.

The PRESIDING OFFICER. The Secretary will read as requested.

The SECRETARY. On page 70, after line 2, the amendment heretofore agreed to, it is proposed to insert the following:

254½. Every producer of pure sweet wines, other than those actually exported, is hereby required to pay to the Government as a revenue tax the sum of \$1.10 per proof gallon for the wine spirits or grape brandy or pure neutral alcohol used by him in the fortification of said wine, the same to be paid upon the removal thereof from the distillery or from any special bonded warehouse: *Provided, however*, That the time of the payment of said tax upon such wine spirits or grape brandy or pure neutral alcohol used in fortifying pure sweet wines may be extended not exceeding two years upon the producer of such pure sweet wine giving bond in a penal sum of not less than double the amount of said tax with sureties to the satisfaction of the collector of internal revenue of the district and the Commissioner of Internal Revenue conditioned upon the payment of said tax within said two years.

That so much of the act entitled "An act to reduce the revenue and equalize duties on imports, and for other purposes," approved October 1, 1890, as relates to the use, free of tax, of wine spirits or grape brandy in the fortifying of pure sweet wine, and all acts amendatory thereof, so far as they relate to the fortification of such wines and the charge therefor, which may be inconsistent with this paragraph are hereby to that extent repealed.

That upon all wines or liquors known or denominated as wines (other than distilled spirits) not made exclusively from fresh grapes, berries, or fruits, and upon all wines to which have been added spirits distilled from any material other than grapes, berries, or fruits exclusively, except pure neutral alcohol, there shall be levied, collected, and paid before removal from the place of manufacture a tax of 25 cents on each and every wine gallon where the alcoholic strength of such wine does not exceed 24 per cent, by volume, and upon all such wines or liquors containing an alcoholic strength of over 24 per cent, by volume, there shall be levied, collected, and paid a tax at the same rate as is imposed by law on distilled spirits: *Provided*, That the tax herein imposed shall not be held to apply to pure sweet wine made exclusively from fresh grapes, berries, or other fruits to which has been added before or during fermentation sugar, pure boiled or condensed grape must, or water not exceeding in either case 20 per cent of the weight of such wine.

That every person before producing any wine or liquor subject to tax under the provisions of this paragraph shall file with the collector of the district in which such wine or liquor is to be produced such notice and bond, and shall comply with such regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may from time to time prescribe; and all provisions of law relating to the assessment and collection of internal-revenue taxes and to the preparation, issuing, use, and accounting of tax-paid stamps, so far as applicable, are hereby extended and made applicable to the tax imposed by this paragraph.

Any person who shall sell or dispose of any wine or liquor subject to the tax herein imposed without such tax being first paid, or who shall produce, sell, or dispose of any such wine or liquor contrary to any of the provisions of this paragraph, or to any regulation issued pursuant thereto, shall for each such offense be fined not less than \$1,000 nor more than \$5,000, and shall be imprisoned not more than two years; and all wines or liquors upon which the tax herein imposed has not been paid before removal from the place of manufacture and within one year from the date of such manufacture shall be forfeited to the United States.

That all containers of wines, or liquors known or denominated as wines, which contain benzoic acid, benzoate of soda, salicylic acid, or fluorides, shall be labeled plainly with the per cent of such contents, under such rules and regulations as shall be prescribed by the Commissioner of Internal Revenue and approved by the Secretary of the Treasury. Any person knowingly or willfully selling, or exposing for sale, any such wines or liquors without such label or with a false label shall be guilty of a misdemeanor, and upon conviction shall be fined not less than \$50 nor more than \$2,000 or imprisoned not more than one year, or both, in the discretion of the court.

The provisions of this paragraph (254½) shall be effective on and after January 1, 1914.

Mr. STONE. Mr. President, in line 6, page 70, after the word "neutral," I move to strike out the word "alcohol" and insert the word "spirits."

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. On page 70, line 6, after the word "neutral," it is proposed to strike out the word "alcohol" and insert the word "spirits."

The amendment to the amendment was agreed in.

Mr. STONE. In line 11, on the same page, I move to strike out "alcohol" and insert "spirits."

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. On the same page, line 11, it is proposed to strike out the word "alcohol" and insert the word "spirits."

The amendment to the amendment was agreed to.

Mr. STONE. In line 6, page 71, after the word "neutral," I move to strike out the word "alcohol" and insert the word "spirits."

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. On page 71, line 6, it is proposed to strike out the word "alcohol" and insert the word "spirits."

The amendment to the amendment was agreed to.

Mr. STONE. On line 18, page 71, between the word "case" and the numerals "20," I move to insert the words "in the aggregate."

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. On page 71, line 18, after the word "case," it is proposed to insert the words "in the aggregate."

The amendment to the amendment was agreed to.

Mr. STONE. On page 73, in the committee amendment, I move to strike out lines 4 to 6, inclusive.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. On page 73, it is proposed to strike out of the committee amendment the following words:

The provisions of this paragraph (254½) shall be effective on and after January 1, 1914.

The amendment to the amendment was agreed to.

Mr. STONE. Mr. President, I should state to the Senate that since this amendment was adopted by the committee hearings have been had that have somewhat shaken the confidence of some of the members of the committee in the wisdom of the action that was taken.

In the last two days, or parts of two days, as far as the pressing duties on the floor would permit, the members of the subcommittee have been looking into this matter and listening to gentlemen interested in opposition to each other in the questions involved and listening to the suggestions of the department officials.

I am frank to say that I am not by any means satisfied with this provision myself; but the subcommittee, because of the press of business here, desiring to get the bill into the Senate and into conference, determined that it would not take the time necessary to go into this matter thoroughly—which perhaps would require several days—and that this provision would be offered by the committee and agreed to by the Senate in order that it might go into conference. In the interval the subcommittee will thoroughly go into the subject.

I ask that the committee amendment as now amended be agreed to.

The PRESIDING OFFICER. The question is on the amendment of the committee as amended.

The amendment as amended was agreed to.

The PRESIDING OFFICER. If no further amendments be proposed, the bill will be reported to the Senate.

Mr. POINDEXTER. Mr. President, there is an amendment still pending not disposed of.

The PRESIDING OFFICER. The Secretary will state the amendment.

Mr. KERN. I desire to ask unanimous consent that when the Senate adjourns to-night it adjourn until Monday at 10 o'clock.

Mr. GALLINGER and others. That is right.

The PRESIDING OFFICER. Does the Senator from Washington yield for that purpose?

Mr. POINDEXTER. I do.

The PRESIDING OFFICER. The Senator from Indiana asks unanimous consent that when the Senate adjourns to-day it adjourn to meet at 10 o'clock on Monday. Is there objection? The Chair hears none, and it is so ordered. The Senator from Washington will proceed.

Mr. POINDEXTER. Mr. President, the amendment to which I refer provides for a tariff commission. The Senate this afternoon voted upon an amendment to come in at another place. The amendment upon which I am now speaking contains a different proposition entirely from that which the Senate acted upon this afternoon. Consequently, I desire to make a few observations upon it. I do not intend to detain the Senate to discuss at length the principles of a tariff commission.

The amendment which I have offered, Mr. President, confers upon a commission of five members, acting under a rule laid down by Congress, authority to fix a bill of rates in accordance with that rule. Before proceeding to state my reasons for believing that some such arrangement as this is absolutely essential if the question of the tariff is ever to be finally and permanently settled in this country, I will state that the terms of the members of the commission as proposed in the amendment are 15 years; that the salary provided for each member is

\$12,500; and that the term of one member of the commission expires each three years.

Mr. President, it is quite remarkable that in the century of discussion and division of political parties of the United States over the question of a protective tariff, or a tariff for revenue, or upon whatever differences the political parties may have been divided, with all the intelligence and capacity for self-government with which our people are blessed, the question is as far from being settled to-day as it was a hundred years ago. It seems to me that fact would cause intelligent people and those who represent them in the Government to inquire the cause of that condition. It does not exist in any other country in the world. Different countries have different policies and theories as to a tariff. At least one great country has established its system upon a basis of free trade. A number of the great nations of the world have adopted the system of protection. But whatever system may have been adopted as applicable to the conditions of their countries, the system which has been adopted has been put in operation, and their political parties are not divided upon that issue, however they may be divided upon others.

My explanation of this difference between the United States and foreign countries is not that we have been unable to agree upon a tariff policy, because I think it can be demonstrated that there is an American policy very well agreed upon and almost generally conceded by all great political parties and by the vast majority of the people of this country, but the reason why the tariff is still unsettled is because of our system of making schedules. The tariff bills which have been turned out have not accorded with the principle which the country has agreed upon. There has been no machinery by which a scientific tariff bill could be evolved.

In order to satisfy ourselves of the truth of that proposition it is only necessary for those of us who have been here during the making of several tariff bills to revert to what has occurred under our eyes. I recollect very distinctly—for while I was not a Member of this body at that time, I was a Member of the other body of Congress—the manner in which the existing law was produced. It did not represent the result of painstaking and impartial investigation of facts or of conclusions drawn without partisan prejudice for the purpose of arriving at a correct answer to the proposition which they were attempting to solve. It was the result, in the first place, of secret committee meetings with experts, or so-called experts, representing the protected industries, and these experts instructing the members of the committee as to the proper rates to be placed in the bill as to various items which they and their employers were interested in.

When the bill came before the two Houses of Congress the form and structure of those two bodies in itself rendered it impossible for any investigation to take place or any conclusion to be arrived at based upon scientific principles, or correctly carrying out the policy which the party in power was committed to; but even if the structure of the House of Representatives or of the Senate was such as to make it possible to do that, the party management in both branches of Congress was such that that machinery could not operate.

The same thing was true when the Wilson bill, which preceded the Dingley Act, was enacted. Hundreds of paragraphs amending the bill as it originated in the House of Representatives were attached to it in the Senate, and went back to the House of Representatives presumably to be deliberated upon and to get the consensus of the opinion of that body by the votes of a majority of it; yet there was no opportunity for the expression of an opinion, much less a scientific investigation. That was under the reign of the Democratic Party.

When the Payne bill came before the Senate it was generally assumed by his party that the chairman of the Finance Committee, Senator Aldrich, of Rhode Island, was better informed as to just rates and of the theory upon which the tariff bill was supposed to be framed than other Members of the Senate. Whether he was or not, no evidence has ever been given, and there has been no opportunity for anyone to judge; but that was the assumption; and upon that assumption the general spirit of the Senate during the final perfection of the bill was that other Senators, not knowing anything about the various schedules, should follow the lead of the chairman of the Finance Committee. This was the famous "bellwether" system of making tariffs. The chairman of the Finance Committee, in his turn, as is well known, was guided by a number of experts employed by the committee or by the Senate, as I have said, most of them being interested parties or representing interested parties.

That is the system upon which tariff bills have been framed heretofore. That is the system upon which this bill is being

framed, although the representatives of the chief beneficiaries of the tariff are less in evidence as the confidential advisers of the committee. There has been no difference between the Republican and Democratic Parties in the general manner of arriving at particular rates. We have heard discussion over different items here, and, as a rule, the general result was a eulogy of the two sides upon their respective experts. A very fair sample of the manner in which this bill has been considered in the Senate was the debate on acetic ether as to what percentage of alcohol it contains, the tariff rate depending upon its percentage of alcohol. For the purpose of illustrating the manner in which this bill has been considered and the manner in which the existing law was considered, and in which a tariff bill necessarily must be considered so long as the present system continues, I ask leave to print as a part of my remarks a portion of the CONGRESSIONAL RECORD of July 23, 1913, beginning at page 2650, containing a portion of the debate upon acetic ether. It is quite illuminating as to method and as representing a Senate in the very act of framing a tariff bill.

The PRESIDING OFFICER (Mr. LEA in the chair). Without objection, permission is granted.

The matter referred to is as follows:

Mr. BRISTOW. I call the attention of the chairman of the committee to the figures on this paragraph as to the value of the average unit. The whole paragraph in 1896 under the Wilson Act was valued at 15 cents per pound. In 1905, under the Dingley Act, it was valued at 36.3 cents per pound; in 1910, under the Payne Act, at 29.1 cents; in 1912, under the Payne Act, at 90 cents. Its estimated value under this bill is 30 cents. With a duty of 10 cents a pound imposed on an article that has been on the free list, how do you get an average reduction in the value per unit from 90 cents to 30 cents?

Mr. JOHNSON of Maine. Mr. President, it seems to me there must be a misprint there. It must be that instead of 90 it should be 30. I can not see any other explanation. Being only 29.1 cents for 1910, of course there could not be such a rise in the value as that.

Mr. BRISTOW. That probably may be true, but I am afraid this is not of as much value to us as it might be, because of the many errors it seems to contain.

The reading of the bill was continued.

The next amendment was, in paragraph 30, page 8, line 12, after the word "containing," to insert "more than 5 per centum of."

Mr. SMOOT. Mr. President, I wish to offer an amendment to that amendment by making it "10 per centum of." I wish to call the attention of the Senate to the reason why I offer the amendment. If it is not 10 per cent, ethyl acetate or acetic ether will fall back into paragraph 17 and take the extreme high rate provided for articles manufactured and containing 20 per cent of alcohol or less. The 5 per cent takes care of sulphuric ether, which is, of course, the great anesthetic that is prepared from ethyl alcohol with sulphuric acid, but ethyl acetate or acetic ether is prepared from alcohol with acetic acid and contains about 10 per cent of alcohol. Unless we increase 5 per cent to 10 per cent, ethyl acetate and acetic ether will fall back into paragraph 17 and take the higher rate. If you leave it at 5 per cent, it takes care only of the sulphuric ether, which is the anesthetic.

Mr. President, I sincerely hope that the Senate will agree to this amendment, at least, and not allow those articles to take an extremely high rate, and that is what they will do if the bill passes as reported.

Mr. JOHNSON of Maine. Mr. President, the reason why the committee used that percentage was because the expert upon whom we relied stated, and he now states, that 5 per cent of alcohol is sufficient; that beyond that they should pay the duty which articles containing alcohol pay; but so far as sulphuric ether is concerned, the expert informs us that 5 per cent is sufficient.

Mr. SMOOT. Five per cent on sulphuric acid is sufficient. There is only 4 per cent of alcohol used in the compounding of sulphuric acid. That is the great anesthetic. But 5 per cent will not take care of the ethyl acetate or the acetic ether, because about 10 per cent of alcohol is used in the ethers I have mentioned. If you leave the rate at 5 per cent, then those two ethers will fall into paragraph 17 and take the rate that is provided for compounds containing not more than 20 per cent of alcohol.

Mr. BRISTOW. Let me ask the Senator, if I may interrupt him, what will be the specific difference in the rate? How much higher than this rate will that make it?

Mr. SMOOT. I will tell the Senator in a moment. On all alcohol compounds not specifically provided for in this section, if containing 20 per cent of alcohol or less, it would be 10 cents per pound and 20 per cent ad valorem. That is where it would fall, because that is the least that is provided for in that paragraph. I have not figured as to the equivalent ad valorem, but I will assure the Senator that it will be a very high rate.

Mr. BRISTOW. The rate in this paragraph is 5 cents per pound.

Mr. SMOOT. It is the proviso that I am speaking of now.

Mr. BRISTOW. Oh, the proviso.

Mr. SMOOT (reading).—

"Provided, That no article containing more than 5 per cent of alcohol shall be classified for duty under this paragraph."

Therefore, if the ethers contain more than 5 per cent of alcohol they are not assessed under this paragraph, but fall under paragraph 17.

Mr. BRISTOW. And under paragraph 17, as I understand it, the rate is 10 cents per pound and 20 per cent ad valorem.

Mr. SMOOT. Yes; 10 cents per pound and 20 per cent ad valorem, which would be an exceedingly high rate on those ethers.

Mr. BRISTOW. It is 10 cents a pound more, this duty.

Mr. CRAWFORD. What will be the amount of those articles in commerce as to the volume of importations?

Mr. SMOOT. I have not.

Mr. CRAWFORD. I mean the two ethers that the Senator claims will not be within the 5 per cent limit.

Mr. SMOOT. I will see if the figures are here.

Mr. CUMMINS. While the Senator from Utah is preparing to answer the question of the Senator from South Dakota, I should like to ask the Senator from Maine whether he disputes the statement made by the Senator from Utah in regard to some of the articles here in their

ordinary form, that they would fall under another paragraph with a higher duty.

Mr. JOHNSON of Maine. I, of course, have no special knowledge of my own about it. I do not pretend to have; but we had an expert upon whom we relied, and the expert now states to me that that percentage is sufficient, notwithstanding the statement made by the Senator from Utah.

Mr. SMOOT. I will say to the Senator from Iowa that I am perfectly aware that it is sufficient for the sulphuric ether.

Mr. JOHNSON of Maine. I have called the expert's attention particularly to the other articles. He is here present. He says it is sufficient for them. I know nothing except what he says.

Mr. SMOOT. I say it is not sufficient for them; manufacturers of those ethers say they do contain more than 5 per cent of alcohol.

Mr. LANE. I should like to ask the Senator from Utah why they do?

Mr. WILLIAMS. I wish to ask the Senator—

Mr. SMOOT. Because it requires that quantity of alcohol to produce them.

Mr. WILLIAMS. Where does the Senator get his information?

Mr. LANE. What is the reason?

Mr. SMOOT. They can not be prepared in any other way.

Mr. LANE. Then the Senator says that acetic acid is not as good a solvent as sulphuric acid. Acetic acid is one of the most perfect solvents known by chemists. I should like to know the reason why it will not dissolve as much alcohol as sulphuric acid.

Mr. SMOOT. It takes more alcohol.

Mr. KERN. Mr. President, I rise to a point of order.

The VICE PRESIDENT. The Senator from Indiana will state his point of order.

Mr. KERN. The point of order is that we do not hear a word said by the Senators engaged in the colloquy, and we would like to hear.

Mr. WILLIAMS. Before the Senator from Utah takes his seat, he has made the assertion that it will take 10 per cent. May I ask the Senator whence he obtains his information?

Mr. SMOOT. I obtain my information not only from men who pass upon the rate of duty levied at the port of New York, but from the manufacturers themselves.

Mr. WILLIAMS. You have obtained your information from the manufacturers?

Mr. SMOOT. Yes; from the manufacturers.

Mr. WILLIAMS. Have you obtained your information from any men who are experts with regard to these particular matters and found that amount of alcohol to be necessary?

Mr. SMOOT. I have.

Mr. WILLIAMS. So it is a difference of opinion between your expert and the expert who serves the Senator from Maine, is it?

Mr. SMOOT. I have not confined my investigation of this question to one man. I have gone further than that, and I am fully convinced that the ethers spoken of by me contain about 10 per cent alcohol.

Mr. CRAWFORD. Is the Senator prepared to give an answer to my interrogatory a moment ago as to the amount of importation of these classes of ether and what—

Mr. SMOOT. The importations even under the present rate are very, very small. In fact, I will say that the specific duties do not amount to 25 per cent, as shown by the Democratic handbook. The value of imports in 1905 was \$3,485; in 1910, \$3,656.

Mr. CRAWFORD. To what extent are they manufactured in this country? To what extent are they articles of commerce?

Mr. SMOOT. A large quantity of them are manufactured here.

Mr. CRAWFORD. Of these particular classes of ether?

Mr. SMOOT. Yes.

Mr. CRAWFORD. Has the Senator any figures on that?

Mr. SMOOT. Not as to the production in this country, but even with the rate to-day there is very little importation of those ethers.

Mr. CRAWFORD. What I want to find out is whether we are spending time over some technical classification of ether which may not be in general significance or general use or whether it is something of more consequence. I am sure I do not know.

Mr. SMOOT. They are used very extensively.

Mr. BRISTOW. Mr. President, I should like to ask the Senator from Utah what is the present duty, and whether the proposed duty as he estimates increases or decreases the rate of the present law?

Mr. SMOOT. If they fall into paragraph 17, as the wording of the paragraph will take them, then they will carry an increased percentage.

Mr. LANE. Mr. President, I should like to say, for the information of Senators who are not familiar with this subject, that it does not require a particle of alcohol to make acetic ether, for the reason that acetic acid and alcohol are made by the same process. Just one particle more of oxygen converts alcohol into ether. Stopping just short of that process in distilling it, the ether, with the alcohol which goes on into ether, will be converted into acetic ether. I do not know of any reason, physical or chemical, why it would require or would take a larger proportion of alcohol than do the other ethers. That is not known to us who use the article.

Mr. SMOOT. Those who make it know, and they say that it does take about 10 per cent of alcohol.

Mr. STONE. Mr. President, while I do not want to be offensive—far from it—I should like to inquire again of the Senator from Utah [Mr. SMOOT] just upon what information he bases this positive assertion of his about a technical matter of this kind?

Mr. SMOOT. Mr. President, the information upon which I base my statement is obtained from an expert who has given me the information and also from the manufacturers of ether.

Mr. STONE. The expert who gave the information! I am curious, if I may venture the inquiry, to know who this expert is. Whom does he serve—the Government or some private interest?

Mr. SMOOT. He serves the Government; but any Senator has a perfect right to write to New York to find out exactly how these articles enter into this country, the classifications under which they come, and the rates that are imposed upon them, or for any other information connected therewith.

Mr. STONE. But the committee can not write to the expert unless we know who he is. If he is a Government official, we would like to communicate with him and see whether the other expert furnished by the Government of the United States, in the employ of the United States, and supposed to be thoroughly competent in matters of this particular kind, tells the committee what has been related here in the hearing of the Senate. This expert is here at the call this moment of Senators. He states one thing. The Senator from Utah assumes to contradict him and assumes to have some special scientific knowledge of this matter, but when we ask him about it it seems he quotes from some mysterious man off in New York, who, he says, is in the Government employ. Of course, I accept his statement that the man is in

the Government employ; and if so, I should like to question him and the committee would like to question him. Who is he?

Mr. SMOOT. Well, Mr. President, so far as that is concerned, I am not compelled to tell the Senator to whom I write or where I get my information.

Mr. STONE. No; the Senator is not compelled to do so.

Mr. SMOOT. I want to say that if the Senator really desires to know, and is interested in finding out, I can tell the Senator and will tell him.

Mr. WILLIAMS. I will tell the Senator from Missouri. I have the information here.

Mr. STONE. Very well.

Mr. WILLIAMS. The expert the committee had was an expert chemist who happens to have a German name, and I find that this language occurs in some notes and observations compiled by Thomas J. Doherty, Esq., who is a special attorney of the Customs Division. He seems evidently to have been the expert who gave the Senator from Utah his information.

Now, we will put the chemical expert whom the committee had against the legal expert whom the Senator had, and try it out anyhow in the shape of the law as we have drawn it.

Mr. POINDEXTER. Mr. President, in 1882 a tariff commission was created with rather peculiar jurisdiction, a tariff commission without any limitation of policy as to protection or tariff for revenue to guide it in making a tariff bill and without any power to put its findings into effect. It was given the power to frame a tariff bill, although the law did not provide that the bill which was framed should become a law. The act provided that the rates fixed by the commission should be submitted to Congress for its instruction and guidance and action before they should become effective.

The same principle has been involved in all amendments that have been offered here for a tariff commission. The one that was voted on this afternoon provided for a commission practically without any limitation as to the policy or rule which was to guide the commission in framing schedules and fixing the rates of the bill, leaving it to the sense of justice—I think that word was used—of the commission as to what the rates should be. But at the same time, while giving it universal discretion as to what the rates should be, giving it no power whatever to put any rates at all into effect.

It seems to me that there are two fatal primary defects in the provision for the tariff commission of 1882 and of every effort to get a tariff board or a tariff commission which Congress has considered. On the one hand, their power was unlimited in that they were guided by no rule or policy; there was no limitation laid down by Congress for their strict guidance in arriving at a conclusion as to proper rates; and, on the other hand, they were given no power at all to put into effect any conclusion at which they arrived.

Mr. SHIVELY. What does the Senator mean by putting into effect any conclusion at which they arrived?

Mr. POINDEXTER. I mean that when upon investigation, in pursuance of a tariff policy declared by Congress, they arrived at a conclusion they should have the power to fix the rate upon a basis which they consider to be in accordance with the rule laid down by Congress.

Mr. SHIVELY. That is, the commission itself should have that power?

Mr. POINDEXTER. Yes. I will discuss very briefly in a moment the question as to the power of Congress to adopt such a policy with reference to a tariff commission. I know it has been objected to as being a delegation of the legislative power. It is not a delegation of legislative power in any sense except that it delegates to an administrative body the duty of administering a policy which the legislature itself has laid down. The same thing is true of the entire administrative branch of the Government, so far as that objection is concerned, with the exception of that portion which is specifically provided in the Constitution. Every other function of the Government is operated upon that principle except those parts of it which are set up in the fundamental law.

So, Mr. President—and I shall be very brief—the two main considerations which seem to me will compel us eventually, and I think before a very long time, to establish a tariff commission, with such power as I have mentioned, strictly limited by a rule laid down by Congress, but with ample powers within that rule, are, in the first place, that this great body, with its numerous membership, is incapable of arriving at the necessary facts or of obtaining the necessary information; and, in the second place, under our system of party government, is incapable, by reason of the condition which necessarily exists, of applying the facts to the proposition so as to arrive at an accurate or scientific conclusion—that is, so far as the making of the bill is concerned.

The second main reason is that after the bill has been made, after we have enacted a tariff law, there should be machinery framed by which that law can adjust itself to the changing conditions of business from year to year. Business is not fixed. Tariff rates ought to be proportionate to the needs of

the business of the country and to the condition of that business, so as to measure up at all times to the rule on which the bill is framed in the first instance, to carry out the object which the Government has in view; and if business changes the law should be elastic, so that it could adjust itself to the changing conditions and circumstances of business. The difference in the cost of production here and abroad is one thing to-day and another next month; the difference in wages varies from year to year; weak concerns grow great and strong, and the rate which would put them on a fair competitive basis is a variable quantity.

Before passing on to discuss the question which the Senator from Indiana [Mr. SHIVELY] suggested in his remark, I want to call attention to the amendment which I have offered to the bill as to the structure and constitution of this commission, with the object in view which I have just mentioned, in the first place, of having a set policy laid down by Congress for its guidance, and, in the second place, giving the commission such power that by their action, within the rule so declared, the law would be elastic and would adjust itself to the changing cost of production in the various countries of the world, including our own, as they are constantly changing through the decades. The amendment I have offered contains this provision:

It shall be the duty of the tariff commission to ascertain as nearly as possible such facts and information concerning the production and manufacture of articles of trade and commerce in this country and foreign countries as will enable said commission to determine the comparative cost of production and manufacture of the same in this country and abroad; and shall also ascertain as nearly as possible all other facts, circumstances, and conditions of production and manufacture, including the amount consumed, the amount produced, and the amount imported into this country of the several articles under investigation as will enable said commission to decide approximately what rate of duty upon the several articles would place the domestic and foreign producer and manufacturer upon an equal and fair competitive basis in our home market: *Provided*, That the cost of transporting the several articles from the foreign country to the United States shall not be taken into account, but a rate shall be ascertained which will give our domestic producers or manufacturers any natural advantage which they may have by reason of such cost of transportation.

When said commission shall have decided upon such rate in any particular case or item it shall have power to issue an order changing the existing rate so as to make it conform or more nearly conform to such fair competitive rate mentioned above; but in making such changes the commission shall avoid such sudden and extensive changes as will, in the opinion of the commission, unsettle the general business of the country, it being the intention of this act that such changes shall be made by degrees if necessary, but at the same time as speedily as possible, so as to adjust tariff rates to the principle of just protection and fair competition stated above, and to keep the same so adjusted from time to time according to changing conditions of trade and industry. Every rate so adjusted by the commission shall at all times be subject to change or modification by Congress.

It is proposed by the amendment that the members of the commission shall be subject to removal by a majority vote of Congress at any time, and that the commission be required to report annually to Congress as to all the matters within its jurisdiction, as specified in the amendment.

Now, Mr. President, it provides for a competitive tariff, so called. I have heard that word used in debate by members of the Finance Committee during the pendency of this bill. I heard it used to-day by a Senator upon this side. What do you mean by a competitive tariff? My understanding of a competitive tariff is that it is a protective tariff, and, as I shall show by citation of recognized authorities of both the great political parties which have dominated this country during the last 50 years, that has been the accepted policy of this country—of all political parties and of the great mass of the people.

I know there have been extremists upon this side and upon the other side. There are those who are opposed to any tariff at all. I have heard men say they would take down the custom-houses. There are those on this side who would have no trouble whatever about writing a tariff bill, because, to quote a distinguished gentleman whom I heard characterizing one of his associates in that regard upon one occasion, if they had the power to draft a tariff law they would write it in one line, and that would be that no article which could be manufactured in the United States should be imported from abroad. There are advocates of that policy. But neither of these extremes is the consensus of American public opinion.

As I understand the political platforms, and I think I do, which the great political parties of this country have enunciated during the last half a century, both the Democratic and Republican Parties have declared in favor of a tariff which shall be guided in its formation, to some extent at least, by the difference in the cost of production at home and abroad of the article to be taxed; and when that is done we arrive at the thing that is called a competitive tariff, where the foreign manufacturer and the American manufacturer will be upon a somewhat near equal footing in the American market, giving the American manufacturer the benefit, as this amendment says, of the difference in the cost of transportation, which is usually

against the foreign manufacturer and which is a natural advantage. I am not in favor myself of the Government guaranteeing a profit to manufacturing, but am in favor of leaving to our domestic industries natural advantages, such as the larger cost of transportation which the foreign manufacturer is compelled to undergo, an advantage the domestic manufacturer is entitled to in our home market because of his more favorable location, just as the foreign manufacturer has a similar advantage in the foreign market.

It is said, Mr. President, that Congress has no power to delegate the right to frame schedules. It has done that for generations. It is doing it under existing law, and it proposes to do it under the pending bill. If it can do it under one set of circumstances, it has the power to do so under others. The existing tariff is a changeable one.

The rates itemized in the law now in force are not regular rates, but 25 per cent ad valorem additional are the regular tariff rates under the existing law, and Congress has delegated to the President of the United States power to investigate certain facts, namely, as to whether or not foreign countries discriminate against the United States. If he finds that there is no such discrimination, then he can by proclamation establish a certain set of rates which otherwise would not be applicable. That is the application of variable rates through an administrative or executive branch of the Government on authority conferred by Congress.

Mr. SHIVELY. Mr. President—

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Indiana?

Mr. POINDEXTER. I yield to the Senator from Indiana.

Mr. SHIVELY. The Senator does not contend that that involves any discretion in the President of the United States when he enforces those rates? Is it not a fact that he only ascertains a particular fact and that he issues a proclamation by which the law enacted by Congress goes into effect?

Mr. POINDEXTER. Exactly. There is a kind of discretion vested in the President to determine whether or not there is discrimination by a foreign country against us. Somebody must judge whether there is discrimination. It is a similar class of facts to be investigated and the same kind of power which this amendment proposes to confer upon a tariff commission. It is not different in principle at all. They are to investigate certain facts; they have to ascertain within a well-defined rule laid down by Congress what is the difference in the cost of production here and abroad and other circumstances attending the manufacture and sale of articles of commerce; and they are to ascertain as a matter of fact, not as a matter of discretion, what tariff rates would put the American manufacturer upon an equal footing with his foreign competitor, making allowance for the difference in the cost of production here and abroad. It is no more discretion, so far as the principle is concerned, than the duty which is imposed by the bill now pending upon the President of the United States to ascertain whether or not certain bounties are bestowed or duties are levied upon exports by foreign countries, and it is certainly not any more than is vested in the President under the existing law.

But, Mr. President, we are not confined to that illustration. We can go outside of tariff making and find examples by the score where Congress has laid down a policy and delegated to an Executive or to an administrative body a power to carry that policy into effect. We do not have to go any further than the example of the Postmaster General a few days ago, when he changed the classification and rates of articles to be shipped in the parcel post. He is doing that under the authority vested in him by Congress.

I will say in passing that while he has incurred apparently a great deal of criticism from his own party he has received a great deal of credit for his action from the country in general. My opinion is that it is one of the best things that this administration has done, and I am perfectly willing to give the administration credit for those things for which, in my opinion, it is entitled to credit. The Postmaster General is doing that under the same kind of authority that a tariff commission would exercise under the proposition which I am now discussing. It is not different in principle; in fact, the Postmaster General has far more discretion than such a tariff commission would have, for he is not limited by such a distinct rule as that proposed in this amendment.

The greatest object lesson, however, of the exercise of this sort of administrative power is the Interstate Commerce Commission. Congress has power to fix railroad rates, and it could fix railroad rates almost as easily as it can fix tariff rates. It is almost as well adapted in its structure and constitution to sit here and determine a fair railroad rate between New York and San Francisco, or Chicago and Spokane, as it is to ascertain what

tariff upon cloth with a certain number of threads to the square inch will give the American manufacturer a fair amount of protection within the policy which it has accepted. It is not qualified in either case to arrive at a scientific result as to details.

I think the institution of recent creation by Congress which has given the greatest satisfaction to this country is the Interstate Commerce Commission. It has accomplished what it was intended to accomplish, so much so that it is now in universal favor. Nobody proposes to limit its powers; it is universally claimed that its powers ought to be extended. The same thing would result, Mr. President, with a tariff commission once it was created and the country got the benefit of a careful, painstaking, scientific reclassification and rescheduling of the tariff rates.

There has been no effort, or but a very feeble one, in the first place, to make any scientific classification of the thousands of articles which are subject to customs duties under tariff bills. In some instances, as in china and earthen ware, for the first time, so far as I know, in the history of tariff bills, the Senate has made a new classification, making in the instance cited two classes of china where formerly there was but one. There are, in fact, perhaps hundreds of different classes of china and earthen ware. As to some of those our manufacturers need a certain rate of duty for their protection; as to others they need a different rate; as to some they need none at all. There has been no effort to ascertain what particular rate in each of the varied classes of the several manufactures would serve the purpose of protecting the American producer.

If the Senate Committee on Finance—of course I do not expect the Finance Committee is going to heed this in any way at all, but I hope that this matter is going to come up hereafter and that the continual agitation of it will, at least, have some effect—if the Finance Committee had no other things to occupy its attention it could not in a session of Congress, if it devoted itself exclusively to the task, inform itself so as to legislate efficiently upon a single schedule in the tariff bill. A tribunal which undertakes to fix specific rates or percentages to classify a vast multitude of articles upon a scientific basis and to give American manufacturers such protection as they need, and no more, will have to devote their lives to the work. That is the only way that we shall ever develop in this country a body of high-class experts who will be competent to report a tariff law which will really accomplish the purposes which Congress has in view.

Mr. PITTMAN. Mr. President—

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Nevada?

Mr. POINDEXTER. I yield to the Senator.

Mr. PITTMAN. Did I understand the Senator to say that he believed in giving an advantage to the American manufacturer?

Mr. POINDEXTER. Yes.

Mr. PITTMAN. Is it possible for a producer—

Mr. POINDEXTER. I will say, for fear that it might escape attention, that the advantage which I said I believed in giving him was a natural advantage. Such natural advantages as he has by reason of his situation I do not believe in taking away from him.

Mr. PITTMAN. If it costs one person more to place a certain article on the market than another, and there is competition in such market, does not the one who can place an article on the market at the cheapest price drive the other out of competition?

Mr. POINDEXTER. That is true as the Senator states it, but it does not always follow that the competitor who has the advantage can put the article in the market at the cheapest price.

Mr. PITTMAN. As I understood the Senator, he desires to give an advantage to the local producer equal to the difference in transportation. Is that true?

Mr. POINDEXTER. I desire him to have the benefit of the situation which nature gives him, so far as transportation is concerned.

Mr. PITTMAN. As I understand the Senator, he wishes to make the cost of production equal by virtue of a tariff?

Mr. POINDEXTER. I believe myself—I think I have stated my position here clearly—in a protective tariff which will protect the American manufacturer from unfair competition by reason of cheaper labor or other cheaper circumstances of production in the foreign country; and I think that that tariff should be fixed at such a rate that the American manufacturer and the foreign manufacturer will be upon an equal footing.

Mr. PITTMAN. That means an equal cost of production.

Mr. POINDEXTER. Not altogether.

Mr. PITTMAN. If the cost of production is equal, and there is an advantage in favor of the local production due to the difference in freight rates, is not the local producer, then, able to drive the foreign producer out of competition?

Mr. POINDEXTER. Not at all.

Mr. PITTMAN. Why not?

Mr. POINDEXTER. Because there are a thousand and one other circumstances that enter into it—enterprise, activity—

Mr. PITTMAN. Is it not the Senator's intention to equalize those conditions, with the exception of freight rates?

Mr. POINDEXTER. It is.

Mr. PITTMAN. Then the home producer has the advantage of the freight rates.

Mr. POINDEXTER. Not at all. If you insist on voting the way you voted this evening upon an amendment to this bill offered by the Senator from Iowa [Mr. CUMMINS], the foreign producer has the advantage in freight rates.

Mr. PITTMAN. But the Senator's object is to give the advantage to the local producer, is it not?

Mr. POINDEXTER. My object is to allow him to retain any advantage which he already has.

Mr. PITTMAN. The Senator would so regulate the tariff as to put the foreign and domestic manufacturer on an equality, with the exception of freight rates—I believe the Senator so stated his policy—so he would give the advantage of the freight rate to the local producer. Then, that is an advantage, is it not?

Mr. POINDEXTER. Wherever the local producer had that advantage that would be a natural advantage. However, there are many places where the foreign producer would have less rates to pay than the local producer. It depends altogether upon their situation in reference to that, and—

Mr. PITTMAN. The Senator desires—

Mr. POINDEXTER. If the Senator will allow me to finish, the same difference exists between our domestic manufacturers. One has a certain freight transportation to reach his customers, and another has another. All those are natural conditions that international lines do not so much affect as do the tables of distances.

Mr. PITTMAN. Then, in other words, the Senator desires so to arrange the tariff that the local producer will have a natural advantage. If the Senator prefers that language?

Mr. POINDEXTER. Oh, no.

Mr. PITTMAN. But he has an advantage under the tariff, has he not?

Mr. POINDEXTER. Not at all. I never did propose a thing which was obviously, to me at least, impossible. You can not arrange a tariff so as to change natural advantages, such as transportation costs, which depend largely on location, either to deprive a man of them or to give them to him.

Mr. PITTMAN. Then, if that be the case, why have any protection at all?

Mr. POINDEXTER. Principally on account of the advantages which I do not consider natural advantages; at least I do not include them in that class. Advantages in cost of production on account of the different modes of life, different wages, and considerations of that kind are in quite a different class, in my judgment, from the distance which goods have to be shipped.

Mr. PITTMAN. Well, does the Senator desire to make the opportunities in the American market equal or not?

Mr. POINDEXTER. I do.

Mr. PITTMAN. The Senator desires them to be equal?

Mr. POINDEXTER. Why, Mr. President, I think I will have to decline to continue to answer these questions over and over again. I have answered the same question a number of times. If the Senator has anything new to ask, I will be glad to answer, but I have stated very concisely, I think, what I did believe in that regard.

Mr. PITTMAN. I will not ask any further questions if they are objectionable to the Senator.

Mr. POINDEXTER. Not at all.

Mr. PITTMAN. I was trying to ascertain whether or not I understood the Senator. What occurred to me was simply this: I heard him say that there would be an advantage in freight rates given to the home producer.

I believe that such policy would enable the home producer to eliminate competition. It occurs to me that the only difference between the Senator's views and the views of others on his side of the Chamber are differences as to the height of a wall, both walls being impassable to competition.

Mr. POINDEXTER. Well, that certainly is not the case, Mr. President, even under a much higher tariff than I advocate. There has been more or less importation and more or less

competition even under the Payne-Aldrich law. I think I can illustrate the error of the Senator's position with reference to the effect of freight rates. As I understand, he claims that they would always be in favor of the domestic producer. I naturally recur to some of the great products in my section of the country. Take wheat, for instance, or take lumber. In both cases the place of production of those great staples is much closer to the western American market and to the cities on the Pacific coast from the foreign producer in Canada than from the domestic producer in the eastern part of the United States. There are great lumber districts in the eastern part of the United States which, even if other things were equal, could not possibly compete with British Columbia lumber in the markets on the Pacific coast merely on the question of freight rates. British Columbia has water transportation; it has a shorter distance; while our domestic manufacturers in the Eastern States have rail transportation across the continent. Those are natural conditions which I do not propose to undertake to offset or to consider in any way at all in fixing a tariff.

I did not say, as the Senator undertook to quote me as saying, that I believed in offsetting by the tariff the advantage which the foreign manufacturer had by reason of freight rates, wherever he had it. What I did say was that any advantage of freight rates should not be taken into account in framing a tariff—just the reverse of what the Senator stated.

Mr. PITTMAN. If the Senator will permit me a moment, Mr. President, I understood him to say—and I think I am right in my understanding—that the tariff would equalize the different costs of production, leaving the home producer the advantage of transportation charges.

Mr. POINDEXTER. The amendment which I have introduced provides that "the cost of transporting the several articles from the foreign country to the United States shall not be taken into account."

Now, Mr. President, to pass on, without occupying too much of the time of the Senate, to another phase of our system of tariff making—and I think that this is a question, undoubtedly, which the American people are going to consider—it is not only a question of what you have enacted, but how it was enacted. It does not lie entirely in the difficulty in a body like this of giving careful examination to the facts and weighing those facts so as to arrive at a scientific conclusion, but it lies perhaps more in the system of party government under which we are operating.

I do not say this in any spirit of hostility to the Democratic Party, because, for various reasons which ought to be obvious to everyone, I am very much in sympathy with much that the Democratic Party is trying to do just at this particular time. I am not any more in sympathy with the system of party government under which this bill has been produced in the Democratic Party than I was in sympathy with the same system, perhaps in a little different degree, in the Republican Party four years ago.

I hear it said constantly by Senators who are interested in passing this bill that it was necessary, in order to pass a tariff bill at all, that the members of the party should be absolutely governed by the caucus which framed the bill. I deny that, Mr. President. It is not necessary in order to pass a bill that any Senator here should surrender his judgment upon any vote which comes before him. You might get a somewhat different bill from the bill which you are going to get, but you would get a bill which represented the opinions and judgment of a majority of this body.

Why could not the Senate pass a tariff bill if every member of the Democratic Party exercised his judgment in voting upon every question which came up? It would be settled one way or the other. You may say you could not get free wool, or you could not get free sugar, if you did not have caucus rule and if every member of the party was not subservient to caucus dictation. If you could not get it, you ought not to have it. If free wool and free sugar do not represent the opinion of a majority of the Senate, the Senate ought not to vote for free wool and free sugar. The bill ought to represent the consensus of opinion of the Senators from all the States, their opinions presumably more or less representing the interests of their constituents.

Mr. SHIVELY. Mr. President—

Mr. POINDEXTER. Just a moment, if the Senator please. A bill framed upon the system upon which this bill is being framed and upon which all previous tariff acts have been framed does not represent the wishes or the interests of a majority of the people or the judgment of a majority of the Senators.

I now yield to the Senator.

Mr. SHIVELY. From a statement just made by the Senator I infer that he feels that the provision in regard to a tariff board in the act of 1909 was not sufficient.

Mr. POINDEXTER. I do. I do not think that was in any sense at all an adequate tariff commission.

Mr. SHIVELY. Why?

Mr. POINDEXTER. Why, in the first place it did not even have power under the law to investigate the facts as to the difference in cost of production at home and abroad. It did not have authority under the law to investigate the facts upon which any principle or policy of tariff legislation was to be based. The fact of the matter is that it was a special board, created for a special purpose, limited by law, to an agency to aid the President in determining whether or not a foreign country discriminated against this country in its tariff. That was the limit of its power.

Mr. SHIVELY. But whatever was the limit of its power under the statute, the Senator knows that that board went to the extent of actually investigating the question of relative costs at home and abroad.

Mr. POINDEXTER. Yes; I think it exceeded any authority that was conferred upon it by the law. It did that as to some schedules.

Mr. SHIVELY. I think the Senator is right in that respect. I question whether the board did not go beyond its powers. But does not the Senator feel that there may be established here in Washington a consolidation of the various bureaus of statistics we have that will have power to go into all these questions, secure all this information, and equip Congress, so far as the executive departments of government can, with the necessary facts on which to legislate intelligently on the tariff question as well as on all other questions that involve statistics?

Mr. POINDEXTER. Undoubtedly, Mr. President, that could be done. There are hundreds of different forms, of varying degrees of merit, in which this policy could be carried out. I think such a proposition as the Senator has just stated, if we could get nothing else, would be a very meritorious piece of legislation. But it would not be efficient; it would not be sufficient. It would be simply the application of some of the petty bureaus, with which we have so much difficulty now in their administration, to the great question of tariff information and tariff rate making.

A tariff commission ought to be a great body. It ought to be composed of men of the highest class. They ought to be independent. They ought to be above suspicion, just as much so as the members of the Supreme Court of the United States.

Mr. SHIVELY. Will the Senator yield just there?

Mr. POINDEXTER. Yes.

Mr. SHIVELY. Of course the statute that we enact can not give high class to these appointees or separate them from the usual passions and prejudices of human nature. These appointees are bound to be men. They are not going to be arch-angels. The probabilities are that they will all come to their task with certain prejudices, with certain predilections, with certain views upon the tariff question. I assume that what the Senator wants, after all, is not conclusions, not opinions, not doctrines, not policies, not maxims, to be disclosed and presented by some tariff board, but simply the naked facts, so far as they can be presented by statistics. In that respect and to that extent I am thoroughly in sympathy with the Senator's ideas on this question.

We have been going forward here and establishing this bureau of statistics and the other bureau of statistics and still another bureau of statistics. I observe that within the last few months one of these bureaus reported the number of sheep in the United States at 40,000,000, and another bureau reported the number of sheep in the United States at 61,000,000. It seems to me that what we need is not new boards or new commissions, that we do not require a new symposium of tax eaters in the Treasury of the United States so much as we do a little more coordination and efficiency in the departments we now have.

Mr. POINDEXTER. It would undoubtedly require a good deal more coordination and efficiency in the departments than we now have to properly perform the duties of tariff administration. I am very much in sympathy with the statements that have been made here by distinguished Senators to the effect that millions and hundreds of millions of expense could be saved yearly in the administration of the Government by greater efficiency in the departments we already have. I have not the slightest doubt of that.

There are some departments of the Government, however, which are extremely efficient. There are many officials in the executive departments of the Government who are efficient.

Some of the bureaus of the Government which the Senator has in mind, those which have been engaged in scientific work, have been especially efficient. If the Senator chose to establish them upon a basis of sufficient jurisdiction, it would answer the purposes of the amendment.

The amendment does not undertake to say who shall compose the commission. If the commission is to be appointed, it will be appointed by the Democratic President. I am willing to leave it to him, to his honor and integrity, to appoint men who will carry out the rules laid down by Congress. We shall have to leave it to somebody.

I heard a gentleman suggest the other evening that he was opposed to a tariff commission because its members would be partisans; they would be prejudiced; and they would not carry out the rule laid down by Congress. If we are so pessimistic as that, we ought to stop the effort of self-government. There is not any function of government that does not have to be executed by some one. You have to trust somebody.

It seems to me that with a commission whose members draw good salaries and have long terms of office, and who are appointed by the President with the advice and consent of the Senate, we ought to be able to trust them to carry out honestly the instructions of Congress within the limits of their powers, just as we can trust the members of the Supreme Court of the United States, regardless of their predilections—I hope we can trust them; I am willing to trust them; the country does—to decide the law, not their wishes or predilections upon the great questions of public policy which come before them. There is no reason why we can not appoint a commission to deal with the tariff, by means of which we collect and have collected for years some \$300,000,000 or more of revenue each year.

The Senator talks about "tax eaters." The comparatively small cost of this commission would be a mere bagatelle if they did the work well that would be expected of them.

Mr. SHIVELY. Mr. President, will the Senator yield to me again?

Mr. POINDEXTER. I yield.

Mr. SHIVELY. If the Senator thinks for a moment that I do not sympathize with his view of adopting the best means of securing reliable information on which Congress shall act with regard to the tariff, as well as with regard to other matters, he is entirely mistaken.

Mr. POINDEXTER. I am satisfied that the Senator does.

Mr. SHIVELY. But what any agency that is employed should be required to do is simply to report the facts, to give us the facts. What do we care about its conclusions as to this or that? If the Senator will permit me, of course there is a fundamental difference of view at the bottom of this question.

Mr. POINDEXTER. If the Senator is going down to the fundamentals, there is just one other matter that I wish to present, and then I shall be through.

Mr. SHIVELY. No; I am not going to do that; but I was going to suggest to the Senator that one of the difficulties of this whole matter is that he would require statistics and information in regard to subjects that it seems absolutely, or at least approximately, beyond the power of the Government to get.

Under our present statutes we have a bureau in the Department of Commerce that has the power to enlist the entire consular service of the United States in securing and laying before us the statistics with reference to commerce abroad as it may affect the business and commerce of the United States. Whatever might be adopted in the way of any commission you might establish, you would at last have to rely upon those agencies to secure that information and to lay it before Congress. The Senator knows full well that Congress has no power by which it can compel a foreign manufacturer, miner, or producer in any other department of industry to open up his books and exhibit his costs. Any tariff board that you might establish would at last have to rely upon the reports that were made by the consular agents of the United States, who hold their positions in substantially every town and city of any importance in the whole world. So I suggest that the Senator is magnifying the importance of the agency that is to be called a tariff board or a tariff commission.

Mr. WARREN. Mr. President—

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Wyoming?

Mr. POINDEXTER. I yield to the Senator.

Mr. WARREN. I take it that the Senator from Washington wants a tariff board or commission of a higher character than the one we formerly had, and one in which Congress can feel more confidence, because they will collect, collate, and edit. If I may so term it, the information from all these bureaus and lay it before Congress for its use.

The Senator from Indiana [Mr. SHIVELY] alluded to the difference in one particular, in the matter of sheep, one au-

thority placing the number at 40,000,000 and the other at 60,000,000. Both were correct. One was taking the sheep of shearing age, the other was taking all of the sheep. Reports of that kind, although they may appear to be imperfect and heterogeneous, may come before a commission such as the Senator from Washington proposes, of high class, and out of all that and what they may get in the first instance we will have less to do and can do it better, as I understand what the Senator is proposing by his amendment.

Mr. POINDEXTER. That was the intention.

Mr. SHIVELY. Mr. President, that suggests precisely the question. If we had one bureau of statistics, equipped and qualified to assemble all these statistics, to make these investigations, and to present this information, that kind of misunderstanding and conflict would not occur.

Mr. POINDEXTER. Mr. President, at different times both branches of Congress have voted in favor of a tariff commission. In 1911 a tariff commission was provided in a bill which passed the House of Representatives and passed the Senate. Undoubtedly the people of this country desire the tariff to be put upon a permanent basis. It is not the wish of any political party, I imagine, that it shall be continually engaged in campaigns over the tariff, and that the business of the country shall be in a state of uncertainty as to what tariff rates are going to be. They want the matter to be settled. It was not settled when the last tariff bill was passed. It was not settled when the Dingley bill was passed. It was not settled when the Wilson Act was passed. It will not be settled when this bill is passed. You will go from this Congress into the next political campaign to defend what? To defend not so much a tariff policy, but a schedule of rates which you have framed here. You can not defend them, however, because they are not scientifically framed. There is not any machinery for doing it.

Mr. SHIVELY. Mr. President, will the Senator yield for a moment?

Mr. POINDEXTER. I will yield for a question, but I should like to conclude what I have to say.

Mr. SHIVELY. If the Senator yields only for a question, I must admit that it was a suggestion I had to make, and not merely a question.

Mr. POINDEXTER. I shall be through in just a moment, if the Senator will pardon me.

The tariff-commission bill in 1911 came to the point of having a final vote taken upon the Senate amendments to the House bill. In the House of Representatives it is the rule to have two roll calls. One roll call was completed as the hands of the clock in the Hall of the House of Representatives approached the hour which marked the end of the Sixty-first Congress. As the Clerk announced the result of the first roll call in the midst of this significant proceeding the following remarkable interruption occurred, which I read from the CONGRESSIONAL RECORD:

GENERAL DEFICIENCY APPROPRIATION BILL.

Mr. TAWNEY. Mr. Speaker, I submit the conference report on the general deficiency appropriation bill, H. R. 32957. There is only one amendment in disagreement, and that is 108. I move that the House recede and concur.

The SPEAKER. The gentleman from Minnesota submits a conference report on the general deficiency appropriation bill, which the Clerk will read.

This was in the middle of a roll call on a tariff commission bill. One call had been made, and they were proceeding to make the other one when these proceedings took place:

Mr. HARDWICK. Mr. Speaker, a question of order.

Mr. TAWNEY. I move that the House recede and concur.

Mr. HARDWICK. Mr. Speaker, I rise to a point of order.

The SPEAKER. The gentleman will be in order.

Mr. HARDWICK. I am in order. I rise to make—

The SPEAKER. The gentleman is not in order.

Mr. HARDWICK. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. What motion does the gentleman make?

Mr. TAWNEY. I move that the House recede and concur in the Senate amendments.

The SPEAKER. The gentleman moves, then, that the House agree to the conference report?

Mr. TAWNEY. Yes.

Mr. FITZGERALD. Mr. Speaker—

The SPEAKER. As many as favor the motion will say aye.

The affirmative vote was taken.

Mr. FITZGERALD. Mr. Speaker, I rise to a question of order.

Mr. HARDWICK. A point of order, Mr. Speaker.

The SPEAKER. The House is dividing.

Mr. FITZGERALD. No; the House was not dividing.

The SPEAKER. The House is dividing.

Mr. FITZGERALD. But, Mr. Speaker, I am entitled to recognition—

The SPEAKER. The House is dividing.

Mr. FITZGERALD. Mr. Speaker, the Chair can not divide the House—

The SPEAKER. The gentleman will be in order.

And so forth.

This is interesting both as a specimen of the parliamentary procedure under which tariff schedules, as well as other laws, have heretofore been framed, and also as a unique incident in the struggle to provide a scientific method of perfecting the mere details of customs rates.

That was the end of the effort to obtain a tariff commission in 1911.

Mr. President, I judge from the questions of the Senator from Nevada [Mr. PITTMAN] that he objects to the rule which is laid down in this proposed amendment for the guidance of a tariff commission, and the Senator from Indiana [Mr. SHIVELY] objects to the tariff commission having any authority to fix rates at all. However the Senator from Nevada or other Democratic Senators may regard it, it is in strict accordance with Democratic tariff doctrine, and, strange to say, and I say it with perfect deliberation, it is also in accordance with Republican tariff doctrine. The difference between the two parties in this country, if you read their platforms, has not been a difference on tariff policy, but the difference has been in the schedules of rates which the two parties have framed when they were in power. We have advanced also in the matter of the tariff, and what the Democratic Party declared in 1884 the Republican Party promulgated in 1908.

I read the other day into the RECORD, and without reading them again I will simply refer to the Democratic platform declarations in 1872, in 1884, and in 1888, when the Democratic Party declared in favor of tariff rates which would represent the difference in the cost of production, or the difference in wages, at home and abroad. The Republican Party has made the same declaration a great many times. In 1880 the Republican platform declared:

We reaffirm the belief avowed in 1876 that the duties levied for the purpose of revenue should so discriminate as to favor American labor.

Many times the Democratic platform has contained precisely the same declaration. In 1884 the Republican platform said:

The Republican Party pledges itself to correct the inequalities of the tariff and to reduce the surplus.

That was a declaration in favor of tariff reform. In 1888 the Democratic platform was as follows:

Our established domestic industries and enterprises should not and need not be endangered by the reduction and correction of the burdens of taxation. On the contrary, a fair and careful revision of our tax laws, with due allowance for the difference between the wages of American and foreign labor, must promote and encourage every branch of such industries and enterprises.

That is the Democratic platform of 1888. In 1892, and that is some time ago, the Republican Party declared:

We believe that all articles which can not be produced in the United States, except luxuries, should be admitted free of duty, and that on all imports coming into competition with the products of American labor there should be levied duties equal to the difference between wages abroad and at home.

Those were practically the same words that were used in the Democratic platform in 1888. So far as giving a tariff commission the power to frame a bill within the limitation of a fixed rule laid down by Congress, let us see the Republican declaration that the party is not committed to any set schedules. In 1896 the Republican Party declared expressly:

We are not pledged to any particular schedules. The question of rates is a practical question to be governed by the conditions of time and of production; the ruling and uncompromising principle is the protection and development of American labor and industry. The country demands a right settlement, and then it wants rest.

In 1908 the Republican Party declared unequivocally for a revision of the tariff. In 1912 it declared that the rates of the existing law should be reduced. Both parties periodically have declared in favor of a revision. Both have declared in favor of protection. The Progressive platform in 1912 contained these words:

We believe in a protective tariff which shall equalize conditions of competition between the United States and foreign countries, both for the farmer and the manufacturer, and which shall maintain for labor an adequate standard of living. We pledge ourselves to the establishment of a nonpartisan scientific tariff commission.

The leaders of the Democratic Party in this debate have admitted that they are in favor of the protection of American industries, but at other times disclaim it.

Let me turn just for a moment, Mr. President, to the declaration of the chairman of the House committee. My only purpose in referring to this declaration is to show that the work of a tariff commission with such powers as are specified in the amendment which I have offered will be but carrying out the policy of the Democratic Party, and at the same time the policy of the Republican Party, and that those policies, so far as platform declarations are concerned, are substantially the same. In certain parts of his report the chairman of the Ways and Means Committee of the House denounces the Republican doctrine of protection, but when he comes down to specific statements as to what he believes in, he says as follows, on page 18 of his report:

The dividing line between the positions of the two great parties on this question is very clear and easily ascertained in theory. Where the tariff rates balance the difference in cost at home and abroad, including an allowance for the difference in freight rates, the tariff

must be competitive, and from that point downward to the lowest tariff that can be levied it will continue to be competitive to a greater or less extent.

I fail to see how he can reconcile the latter part of that statement with the first part; but he declares that a competitive tariff—and that is the kind of tariff which Democrats say they propose to frame—is a tariff where the rates balance the difference in the cost of production at home and abroad, including an allowance for the difference in freight rates.

During this debate the chairman of the Finance Committee of the Senate said:

I will state to the Senator—

I am reading from page 2639 of the RECORD—

that it is exceedingly difficult to get figures showing the domestic production of many articles manufactured or produced in this country. None of the departments has had any systematic scheme for making these estimates. We have to rely altogether almost upon the census estimates, and, as the Senator very well knows, the Census Office groups the separate articles under some general head. Therefore we are not able through that source to secure the production except as to all the numerous articles embraced in the schedules.

There is the express declaration from the chairman of the Finance Committee of two things; first, that the committee made the effort to obtain this information as a factor, evidently, to be considered in fixing rates upon manufactured articles, and, in the second place, that there was no adequate source of information.

The Senator from Maine [Mr. JOHNSON], a member of the Finance Committee, made a similar declaration:

So far as I am concerned—

He says on page 2643 of the RECORD—

I think I have already stated my belief in regard to these estimates, that they are merely speculations, and I think the Senate so understands.

That admission was made by a number of Senators.

They may be made by the experts on some basis, but I think they are not to be depended on and are simply approximations or estimates.

He proceeds to state:

I shall be very glad to have the Senator suggest any better method than has been adopted and has been followed in this bill, of taking the imports under the rates which have existed and making an approximation as to what, in the opinion of the experts, the imports may be under new conditions. I know of no way in which one can look into the future and determine what it is to bring forth.

Further on he says:

My only source of information was the glossary prepared by the expert of the Tariff Board, who stated that there is no supply of chalk of good quality in this country.

The report submitted by the Finance Committee when this bill was submitted to the Senate declares on the first page of the report:

Following the lead of the House, your committee has sought in the amendments it now proposes to the House bill to further carry out and perfect the theory of establishing a revenue-producing tariff—

Now mark these words. Upon what basis?

upon the basis of competitive rates as a just and fair interpretation in the light of existing conditions of the latest authoritative utterances of the party in power upon that subject.

But, Mr. President, we do not have to rely upon general declarations of the chairman of the Finance Committee that he and his committee attempted to protect American industry in this bill.

In regard to the tariff on lead, one of the important schedules in the bill, I read from the report of the Finance Committee the admission and the declaration that the Senate committee raised the House rate upon lead and zinc ore for the purpose of giving a protective rate. On page 12 it says:

The reductions made in the House bill on lead ore, zinc ore, and zinc appealed to the Finance Committee as too radical and below the point of competition. In the interest of the industry, a continuation of which is absolutely essential for the welfare of the mining interests, the Senate committee raised the duty from one-half cent per pound to three-fourths of 1 cent per pound on lead ores, which was also the rate of the Wilson law.

So, Mr. President, the Democratic Party and the Republican Party, in numerous platforms, as well as the Progressive Party, have declared in favor of protecting American industry by putting it upon an equal footing with foreign competitors, and the declaration is contained here that in a specific case the rate was raised for that purpose. The rule laid down in the proposition which I have submitted for the guidance of the tariff commission is that same rule. There is nothing in the platforms or the principles of either of the political parties of this country which would prevent them from submitting the question to such a commission upon the basis specified, that the difference in cost of production at home and abroad, with all other circumstances considered, so as to ascertain the true competitive rate, should control the findings and the rates fixed by the commission.

Some have objected to a tariff commission for the reason that it would leave the tariff unsettled. It could not be any more unsettled than it has been ever since I can recollect. It has been unsettled, and the prospect is that it will continue to be unsettled as long as the present system is continued.

The Republic may well say, having in mind the perennial horrors of tariff campaigns:

Myself, when young, did eagerly frequent
Doctor and saint, and heard great argument
About it and about, but evermore
Came out by the same door that in I went.

My judgment is that if a tariff commission should be established with the powers which I have advocated the tariff question would be settled at least for a long period of time. It would be settled if the commission performed the duties imposed upon it under this amendment, because without disturbing the general business of the country, the rates which they would fix would be subject to constant revision, item by item, to meet new conditions of manufacture and distribution constantly arising as the years go by.

Mr. President, I ask for a yea-and-nay vote on the amendment.

Mr. SHIVELY. Mr. President, I have no wish to prolong this debate, but I am unwilling that the proposed amendment go to a vote without reply to certain contentions in its behalf. Senators on this side of the Chamber are quite as solicitous as any Senator on the other side can be that Congress shall be equipped with the widest, most accurate, and reliable information obtainable, not only on the tariff question but on all other questions which become the subjects of congressional action. In the next place, we are quite as solicitous as the junior Senator from Washington [Mr. POINDEXTER] can be that the tariff question shall be settled; that the tariff shall cease to be a vexing business question; that it shall cease to be a sectional question, a class question, or a partisan question. To place the tariff question in process of such settlement and remove it from the domain of disturbing agitation is the central purpose of the tariff measure now before the Senate.

I ask Senators to keep this declaration in mind while I briefly recall an instructive chapter in the tariff history of the country bearing directly on the point. For the past eight weeks we have been regaled with gloomy prophecy as to the calamities that are to smite the country if this bill is enacted into law. If the Senators who have uttered these melancholy predictions will open the old Congressional Globe at the pages reciting the proceedings in the Senate on the passage of the Walker tariff of 1846, they will find themselves novices in the art of prophecy.

That bill was not referred to the Finance Committee of the Senate. Vice President Dallas delivered the casting vote that prevented its reference to the committee. The reference was refused by the friends of the bill because of their conviction that a majority of the committee was hostile to the measure. As the time for the final vote approached the opponents of the bill redoubled the fury of their denunciation of it, both on the ground of its adoption of ad valorem rates and the marked reduction of duties. Senator Simmons, of Rhode Island, the remote predecessor of the man whose name is inseparably associated with the act of 1909, vehemently prophesied that only calamitous results would follow its enactment. Senator Cameron, of Pennsylvania, who was then a Democrat and afterwards served in this body as a Republican, joined in the chorus of dark prophecy. These and others confidently predicted that the act would be repealed by the next Congress. But Daniel Webster was not satisfied with these predictions. They were not strong enough, and he insisted that so overwhelmingly disastrous on all lines of industry and so universal would be the devastating effect of the legislation that the country would not tolerate postponement of repeal to the next Congress, but would demand and secure its repeal at the ensuing short session of the same Congress.

Despite the clamor, the denunciations, and the dark forebodings, the bill was passed and became a law. In 1848, two years after its enactment, so completely had the legislation vindicated itself in practice within the intervening months that no political party in its national platform dared utter a protest against it. In 1852, when the Whig Party was exhausting every resource to raise an issue on which to escape the slavery question, it dared not assail the tariff of 1846. In 1856, when the new Republican Party was attempting to weld all elements of discontent into a force to expel the Democracy from power, not a word of protest was uttered against that tariff.

Mr. GALLINGER. But, Mr. President, Buchanan, a Democrat, declared against it in 1857.

Mr. SHIVELY. Does the Senator from New Hampshire desire that I yield to him?

Mr. GALLINGER. Just for a moment. President Buchanan, a Democrat, declared against it in 1857 very vigorously.

Mr. SHIVELY. On the contrary, not only did President Buchanan not declare against the act of 1846 in 1857, but he declared in his message to Congress in 1857 that the panic of 1857 was not caused by and had no connection with the tariff act of 1857.

Now I come to the crux of this matter. Here we had the gloomiest prophecies ever conceived by the minds of men of the frightful disaster that was to follow the act of 1846. Not a single one of all these lurid prophecies came true. Every one of them was falsified by the general prosperity enjoyed by the country under the act. This alone accounts for the general acquiescence by all parties, all sections, and all interests in that tariff through a long term of years.

Mr. WARREN. May I ask the Senator from Indiana a question there?

Mr. SHIVELY. Certainly.

Mr. WARREN. My understanding of the Walker Tariff Act is that it was one providing a revenue tariff on raw materials, and it differed from the present bill, did it not, in that respect?

Mr. SHIVELY. It is not contended that the pending bill is a reenactment of the act of 1846.

Mr. WARREN. Is it not almost distinctly contrary?

Mr. SHIVELY. No; not contrary; in the main, in harmony with the revenue principle of that act. We have put a number of articles on the free list that were dutiable under the Walker tariff, and this has been done in the light of conditions as they exist to-day.

Mr. WARREN. But the policy of that law was to tax raw materials, while the policy of the pending bill is not to tax them. Is not that true?

Mr. SHIVELY. The policy of that law was to raise the necessary revenue with as light taxation as possible except as to luxuries. In the case of every article importable at all there is what is known as a maximum revenue point. To reduce the rates below this point is to reduce both taxation and revenue. To raise the duty above this point is to increase taxation and reduce revenue. The prohibitive duty is all taxation and no revenue. The effort in the Walker Act was to approximate as nearly as possible to the maximum revenue line of rates, and, like the pending bill, wherever practicable, prefer ad valorem to specific duties. These were distinctive features of policy of the Walker tariff. There were dutiable articles in that act which are free listed in the pending bill; but nothing in the philosophy of the Walker tariff precludes free listing either raw materials or finished products where taxation is not necessary for the purposes of revenue.

In 1857 the Walker tariff had been in force 11 years. What had become of the gloomy prophecies of ruin and desolation made in 1846? The answer was overwhelming in the high tide of prosperity which the country had enjoyed through all those years. The prediction that the act would not produce sufficient revenue, like the prophecies of its effect on industry, had failed to come true. The income was ample, the public debt had been met, the public credit had reached the highest point in our history up to that time, and an excess of revenue was flowing into the Federal Treasury. Because of this excessive revenue, it became necessary in 1857 to review and revise the rates. Then came the supreme test of public opinion on the question of so-called protection as a principle of customhouse taxation. Where were the voices to proclaim then the doctrine of feebleness and to insist on a recurrence to the higher rates of the act of 1842?

The House of Representatives was controlled by Republicans and Free Soil Democrats, who joined in the election of Nathaniel P. Banks as Speaker. The Committee on Ways and Means was Republican. So far from recurring to the discarded and discredited dogmas of the early protectionist, the House passed and sent to the Senate a bill reducing the rates one-fourth below the rates in the act of 1846. What had become of the protective economist? What had become of the manufacturer who once trembled lest a revision of the tariff would spell his ruin?

Mr. KERN. Mr. President—

The VICE PRESIDENT. Does the Senator from Indiana yield to his colleague?

Mr. SHIVELY. I do.

Mr. KERN. I desire to ask my colleague if it is not true that every Republican Member of Congress from New England present at the time when the vote was taken on the tariff of 1857 voted for it?

Mr. SHIVELY. That is my recollection. When the bill came to the Senate it was passed by an overwhelming majority. Not all Members of both branches of Congress voted for it. There will always be differences of opinion as to reductions and increases advisable even when the rule of duties exclusively for revenue is conceded. But such differences are not on principle,

and on that vote involved no partisan division. If the principle of protection is vital to the life of our industries, if it be true that our industrial enterprises are so parliamentary in character as to depend on the yeas and nays of Congress, why was there no loud clamor then against the reduction of the rates below those which 11 years before had been denounced as ruinously low and certain to strew the country with the wrecks of disrupted and expiring enterprises?

The reason is plain. The act of 1846 had taught its lesson and the country refused to become alarmed. When the time for that vote arrived the tariff question had ceased to be a vital business question. It had ceased to be a sectional question. It had ceased to be a class question. It had ceased to be the subject of struggle by private interests for advantages in the taxing power of the Government. It had ceased to be a party question. When the roll was called Henry Wilson, of Massachusetts, and William H. Seward and Hamilton Fish, of New York, all Republicans, voted for the lower duties along with Robert Toombs, of Georgia, and Judah P. Benjamin, of Louisiana.

The country had learned the wholesome lesson of self-confidence and self-respect. The manufacturer had learned that his enterprise rested not on the yeas or nays of Congress or the whimsicalities of politics, but on the solid natural resources of the country and his energy and capacity in the development of them. And make no mistake about it, this lesson is being learned again. The delirium of wealth by taxation is passing away. Men everywhere are recovering from the paralysis of dependence on tariffs for their success. We were producers and exporters of iron before the American Revolution. We were producers and exporters of window glass before the American Revolution. We were producers and exporters of fabrications of wool before the American Revolution. The doctrine of feebleness, helplessness, and incapacity has been badly overworked through the last 50 years. It has had its effect on the temper of millions of people, but the delusion is bound to pass away.

It is bound to pass and is now passing, and all because there is a point beyond which human credulity declines to go. Imagine an agent of American enterprise meeting his foreign rival in one of the world's neutral markets. His rival says, "You certainly can not hope to compete with us in this market. I have with me copies of the messages to your Congress by Republican Presidents through the past 40 years, copies of the reports of your Republican Committees on Ways and Means and on Finance, copies of your Republican national platforms, speeches of the great leaders of the party dominant, with slight interruption, in the politics of your country through the past half century, and, finally, the act of your Congress of 1909, all solemnly and unitedly proclaiming your inability to hold your own market at home without a tariff wall 40 cubits high against us, to say nothing of your coming outside your wall and contesting with us in open competition for the world trade."

The American appreciates both the exigencies and the humors of American politics. I fancy him replying, "You need not exhibit your documents. On your paper case, the proof is conclusive that we are an exquisite collection of industrial paralytics, but my answer to it all is the cargoes of American goods down at the wharf, and the \$2,300,000,000 worth of the products of American labor and capital sent out last year, not only into the neutral markets, but often taking the hostile market right in the shadow of the foreign factory, and this in spite of domestic tariffs which hamper and handicap domestic production for the foreign trade."

And now, Mr. President, is it necessary to set up a new agency of Government to adjust private enterprise on the subjects of standards of wages, standards of living, and differences of costs of production with which a vicious principle in custom-house taxation has entangled it? When the Mexican Central Railroad was in process of construction the contractor found it cheaper to pay workmen from the United States \$1.50 a day and board them than to employ native Mexican labor at 37½ cents a day. When building railroads in India, Lord Brassey found it cheaper to employ workmen from England and Ireland at \$1.50 per day than to employ native labor at 12½ cents a day. The standard of wages and the standard of living are in the day's work. If the day's work produces large product, both the standard of wages and the standard of living may be high. Whether because of mechanical inefficiency, manual inefficiency, or adverse natural conditions in the industry, if the product of the day's work is small the standard of wages and the standard of living are bound to be low. No tariff board can change the fundamental facts of production, distribution, and consumption, and to balance a tariff on a difference of cost, even if ascertainable, is to attempt to economically abolish the only inducement to trade that ever has existed or ever can exist.

While conceding their entire good faith, I submit that the appeals of Senators to the functions of the Interstate Commerce Commission as parallel and illustrative of the functions of the proposed tariff commission or board bring into notice the very vice that distinguishes the latter from the former. The transportation companies of the country are public utilities, operated for private profit. Whatever taxes in the way of rates are charged the public go into private hands. It is the function of the Interstate Commerce Commission, within the power conferred, to conserve equitable relations between charges made and the service rendered. Is the customhouse also an agency of private enterprise? Is the proposed commission to study conditions of production and trade with a view to apportioning and distributing the usufruct of tariff taxation among private beneficiaries? If not, then is it pretended that the Government needs this agency to inform it how much revenue is required to meet its necessary annual expenditure?

No, Mr. President; I see no useful function that the proposed tariff board can serve that may not be as well or better served by agencies already available to the Government. It is no purpose of the pending tariff bill to magnify the customhouse as a factor in industrial enterprise. We do not propose to treat as permanent a principle in custom taxation which contemplates the use of the taxing power as an instrument of private profit. Yet all the projects for a tariff commission relate back to this principle and revolve around the theory of wealth by statute and prosperity by taxation.

The proposed board would not take the tariff question out of politics or out of business. The appointees would be human beings. Angels are not available. It can not be assumed that the men appointed would come to their tasks with minds white blanks on the subject of the tariff. Each would approach his work with his own bias, prejudices, and predilections. The theory of protection offers the widest latitude and the greatest temptation to include in the consideration of the tariff all manner of collateral and even unrelated subjects. Like every new bureau, the commission would at once become an appetite that grows with what it feeds on. It would feed on the Federal Treasury. Every temptation would confront it to broaden its power, magnify its function, augment its patronage, and to perpetuate its existence. It would mean no settlement of the tariff question, but rather a constant agitation and clamor for favor, first before the commission and then before Congress.

Mr. President, do Senators want information as to cost of production in this country? In the Department of Commerce and in the Department of Labor are forces of experts, maintained at great expense, and on whose cooperation to secure this information the proposed commission would expect to rely. Do Senators want information as to cost of production abroad? The organic act creating the Department of Commerce expressly places the whole Consular Service of the United States at the command of that department to procure such information in so far as it is procurable at all, and the proposed commission itself would expect to rely on the same sources of information. Do Senators want accurate information as to the status of the tariff laws and regulations in foreign countries? Our Diplomatic Service, represented at every seat of government in the world, is available to supply this information, and this is the source from whence the proposed commission would secure it.

We have departments, bureaus, and divisions now maintained at enormous expense that should be available to supply every variety of information desired by Senators on the tariff or on any other question of legislation. We have too many bureaus of statistics. These should be brought together in a single bureau, with their work organized, coordinated, standardized, and the organization equipped to the highest efficiency. We should have no further duplication and triplication of statistics and other information and none of the conflict of returns that casts suspicion on the accuracy and reliability of official reports.

I oppose the creation of the proposed commission because it is not needed and is, I fear, more promising of mischief than of good. The pending tariff bill contemplates a reduction both in rates and in the number of dutiable articles. The disentangling process is already on. When it became certain that this measure or one approximating to it is to become law, thousands of business men reexamined the relation of tariffs to their enterprises only to be convinced that they have been the victims rather than the beneficiaries of the rates in the existing law. As this conviction grows under the operation of the new act all clamor for a tariff board will cease. When moderate rates are in force, changes with reference to revenue occasion no industrial disturbance. The fate of industry is no longer affected by the vicissitudes of politics. Less and less consequence attaches to customhouse taxation as an economic force. The habit of self-reliance displaces the sense of dependence and the steadiness of normal conditions succeeds to the eccentricities

attending artificial expedients. While denying to no one any necessary source of information on all public questions, I am opposed to the creation of a special agency on the tariff question.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Washington [Mr. POINDEXTER], on which the yeas and nays have been ordered. The Secretary will call the roll.

The Secretary proceeded to call the roll, and Mr. ASHURST voted "nay."

Mr. BRISTOW. I should like to inquire on what amendment we are voting?

Mr. THORNTON. Mr. President—

The VICE PRESIDENT. The roll call has been started on the amendment proposed by the Senator from Washington.

Mr. THORNTON. Did the Chair recognize me?

The VICE PRESIDENT. The Chair understands that the roll call has begun.

Mr. THORNTON. I did not know that the first name had been called.

The VICE PRESIDENT. The Senator from Arizona [Mr. ASHURST] has responded to his name.

The Secretary resumed the calling of the roll.

Mr. BRYAN (when his name was called). I have a pair with the junior Senator from Michigan [Mr. TOWNSEND]. I transfer that pair to the senior Senator from Nebraska [Mr. HITCHCOCK] and will vote. I vote "nay."

Mr. CHAMBERLAIN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. OLIVER]. In his absence, I withhold my vote.

Mr. STERLING (when Mr. CRAWFORD's name was called). I announce the necessary absence of my colleague [Mr. CRAWFORD], also his pair, and state that if present he would vote "yea."

Mr. KERN (when his name was called). In the absence of the senior Senator from Kentucky [Mr. BRADLEY], with whom I am paired, I withhold my vote.

Mr. MYERS (when his name was called). I announce my pair with the junior Senator from Connecticut [Mr. McLEAN], and on account of his absence I refrain from voting.

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from California [Mr. PERKINS], and therefore withhold my vote.

Mr. DILLINGHAM (when Mr. PAGE's name was called). My colleague [Mr. PAGE] is necessarily detained from the Senate tonight. He is paired with the senior Senator from Virginia [Mr. MARTIN].

Mr. SMITH of Arizona (when his name was called). I am paired for this evening with the junior Senator from New Mexico [Mr. CATRON], and therefore withhold my vote.

Mr. THOMAS (when his name was called). I make the same transfer of my pair as heretofore, and will vote. I vote "nay." The roll call was concluded.

Mr. LEA. I announce my pair with the senior Senator from South Dakota [Mr. CRAWFORD], and withhold my vote.

Mr. JAMES. I announce my pair with the junior Senator from Massachusetts [Mr. WEEKS], and in his absence withhold my vote. If permitted to vote, I should vote "nay."

Mr. REED. I am paired with the senior Senator from Michigan [Mr. SMITH], and therefore withhold my vote. If I were at liberty to vote, I should vote "nay."

Mr. GALLINGER. I have been requested to announce the following pairs: The senior Senator from Delaware [Mr. DU PONT] with the senior Senator from Texas [Mr. CULBERSON]; the junior Senator from West Virginia [Mr. GOFF] with the Senator from Alabama [Mr. BANKHEAD]; the junior Senator from North Dakota [Mr. GROONNA] with the junior Senator from Illinois [Mr. LEWIS]; the junior Senator from Pennsylvania [Mr. OLIVER] with the senior Senator from Oregon [Mr. CHAMBERLAIN]; the junior Senator from Vermont [Mr. PAGE] with the senior Senator from Virginia [Mr. MARTIN]; the junior Senator from Michigan [Mr. TOWNSEND] with the junior Senator from Florida [Mr. BRYAN]; the junior Senator from Wisconsin [Mr. STEPHENSON] with the senior Senator from South Carolina [Mr. TILLMAN]; and the senior Senator from North Dakota [Mr. McCUMBER] with the senior Senator from Nevada [Mr. NEWLANDS].

Mr. MARTIN of Virginia (after having voted in the negative). I desire to withdraw my vote. While there was no pair between myself and the junior Senator from Vermont [Mr. PAGE], yet, as there was an impression to that effect, I am very willing to stand paired with him on this vote, and do so by withdrawing my vote.

Mr. BACON. I inquire whether the senior Senator from Minnesota [Mr. NELSON] has voted?

The VICE PRESIDENT. He has not.

Mr. BACON. I have a general pair with that Senator and therefore withhold my vote. If he were present, I should vote "nay."

The result was announced—yeas 22, nays 33, as follows:

YEAS—22.

Brady	Dillingham	La Follette	Root
Brandeggee	Fall	Lippitt	Smoot
Bristow	Gallinger	Lodge	Sterling
Clapp	Jackson	Norris	Warren
Colt	Jones	Penrose	
Cummins	Kenyon	POINDEXTER	

NAYS—33.

Ashurst	Martine, N. J.	Sheppard	Thomas
Bryan	O'Gorman	Shields	Thompson
Chilton	Owen	Shively	Thornton
Clark, Wyo.	Pittman	Simmons	Vardaman
Fletcher	Pomerene	Smith, Ga.	Walsh
Hollis	Ransdell	Smith, Md.	Williams
Hughes	Robinson	Smith, S. C.	
Johnson	Saulsbury	Stone	
Lane	Shafroth	Swanson	

NOT VOTING—41.

Bacon	du Pont	Martin, Va.	Smith, Ariz.
Bankhead	Goff	Myers	Smith, Mich.
Borah	Gore	Nelson	Stephenson
Bradley	Gronna	Newlands	Sutherland
Burleigh	Hitchcock	Oliver	Tillman
Burton	James	Overman	Townsend
Catron	Kern	Page	Weeks
Chamberlain	Lea	Perkins	Works
Clarke, Ark.	Lewis	Pomerene	
Crawford	McCumber	Reed	
Culbertson	McLean	Sherman	

So Mr. POINDEXTER's amendment was rejected.

The VICE PRESIDENT. If there are no further amendments as in Committee of the Whole the bill will be reported to the Senate.

The bill was reported to the Senate as amended.

Mr. SIMMONS. Mr. President, I ask that the bill as amended in Committee of the Whole may be printed for the use of the Senate. I move, then, that the bill be laid aside for the day.

The VICE PRESIDENT. Is there any objection?

Mr. SIMMONS. I understand the bill has been reported to the Senate.

Mr. LODGE. The bill is in the Senate now, and open to amendment.

The VICE PRESIDENT. Is there any objection to the printing of the bill showing the amendments made as in Committee of the Whole? The Chair hears none, and it is so ordered.

Mr. SIMMONS. Mr. President, I wish to say further that I understand we have agreed, when we do adjourn, to adjourn until 10 o'clock on Monday. I hope that when we meet on Monday at 10 o'clock we shall not adjourn until we shall have passed the bill.

Mr. GALLINGER. Mr. President, I desire to express the same hope that we may conclude the consideration of the bill on Monday next before adjournment.

Mr. KERN. I move that the Senate adjourn.

The motion was agreed to, and (at 10 o'clock and 50 minutes p. m.) the Senate adjourned until Monday, September 8, 1913, at 10 o'clock a. m.

HOUSE OF REPRESENTATIVES.

SATURDAY, September 6, 1913.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Father Almighty, as years come and go and time sweeps on with ceaseless flow, what has it brought to us as individuals, substance or show, false or true, strength or weakness, honor or dishonor, eternal or transient? Thine all-seeing eye can penetrate the inmost depth. "Now we see through a glass, darkly; but then face to face: now I know in part; but then shall I know even as also I am known." Show us our self now, O Father, and help us to cleanse ourselves from guile that we may be true to Thee, ourselves, and our fellow men after the manner of the Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

ELECTION OF MEMBERS TO FILL COMMITTEE VACANCIES.

Mr. UNDERWOOD. Mr. Speaker, I move the election of the following Members to committees which I send to the Clerk's desk. They were selected by the Democratic caucus.

The Clerk read as follows:

NOMINATIONS FOR DEMOCRATIC VACANCIES.

Hon. A. C. HART, of New Jersey, to be a member of the Committees on Invalid Pensions and Expenditures in the Department of Justice.